



Consolidated Financial Statements

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Consolidated Balance Sheet as at 31st March, 2013

	Note	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	1	790.18		781.84	
Reserves and surplus	2	22367.72	23157.90	18676.74	19458.58
Minority interests			179.89		157.09
Non-current liabilities					
Long-term borrowings	3	90.80		105.38	
Deferred tax liabilities (Net)	4A	1213.59		882.03	
Other Long term liabilities	5	40.47		50.48	
Long-term provisions	6	144.75	1489.61	119.63	1157.52
Current liabilities					
Short-term borrowings	7	–		1.89	
Trade payables [Includes share of Joint Ventures ₹ 23.94 Crores (2012 - ₹ 10.79 Crores)]		1771.56		1538.37	
Other current liabilities	8	3560.03		3429.02	
Short-term provisions	9	5194.39	10525.98	4359.10	9328.38
TOTAL			35353.38		30101.57
ASSETS					
Non-current assets					
Fixed assets	10				
Tangible assets		11728.45		9578.95	
Intangible assets		100.54		120.01	
Capital work-in-progress - Tangible assets		2041.37		2388.87	
Intangible assets under development		20.66		7.59	
		13891.02		12095.42	
Less: Provision for assets given on lease		5.67		5.67	
		13885.35		12089.75	
Goodwill on consolidation		316.51		314.13	
Non-current investments	11	814.17		765.02	
Deferred tax assets (Net)	4B	24.11		16.26	
Long-term loans and advances	12	1246.30		1096.13	
Other non-current assets	12A	1.24	16287.68	1.24	14282.53
Current assets					
Current investments	13	5167.11		4441.81	
Inventories	14	7522.09		6426.87	
Trade receivables	15	1395.76		1200.20	
Cash and bank balances	16	3828.30		3130.12	
Short-term loans and advances	17	529.61		484.17	
Other current assets	18	622.83	19065.70	135.87	15819.04
TOTAL			35353.38		30101.57

The accompanying notes 1 to 31 are an integral part of the Financial Statements.

In terms of our report of even date
For Deloitte Haskins & Sells
Chartered Accountants

P. R. RAMESH
Partner

Kolkata, 17th May, 2013

On behalf of the Board

P. V. DHOBALE

Director

Y. C. DEVESHWAR

Chairman

R. TANDON Chief Financial Officer

B. B. CHATTERJEE Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2013

	Note	For the year ended 31st March, 2013 (₹ in Crores)	For the year ended 31st March, 2012 (₹ in Crores)
Gross Income	19	45102.45	37747.71
Gross Revenue from sale of products and services		43920.76	36617.45
Less: Excise Duty		12597.31	10437.93
Net Revenue from sale of products and services		31323.45	26179.52
Other operating revenue		304.09	345.91
Revenue from operations	20	31627.54	26525.43
Other income	21	877.60	784.35
Total Revenue		32505.14	27309.78
Expenses			
Cost of materials consumed [Includes share of Joint Ventures ₹ 83.62 Crores (2012 - ₹ 64.43 Crores)]		9069.82	7808.75
Purchases of Stock-in-Trade		3305.23	1921.18
Changes in inventories of finished goods, work-in-progress, Stock-in-Trade and Intermediates	22	(256.84)	(85.74)
Employee benefits expense	23	2145.63	1935.11
Finance costs	24	87.18	80.50
Depreciation and amortisation expense [Includes share of Joint Ventures ₹ 1.45 Crores (2012 - ₹ 1.32 Crores)]		859.11	745.48
Other expenses	25	6189.36	5736.35
Total Expenses		21399.49	18141.63
Profit before tax		11105.65	9168.15
Tax expense:			
Current tax	26	3088.05	2777.57
Deferred tax	27	324.02	68.19
Profit after tax before share of results of associates and minority interests		7693.58	6322.39
Less: Minority interests		96.38	75.53
Share of net profit of associates		10.87	11.28
Profit for the year		7608.07	6258.14
Earnings per share (Face Value ₹ 1.00 each)	28 (i)		
Basic		₹ 9.69	₹ 8.05
Diluted		₹ 9.56	₹ 7.96

The accompanying notes 1 to 31 are an integral part of the Financial Statements.

In terms of our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
P. R. RAMESH
Partner

Kolkata, 17th May, 2013

On behalf of the Board

P. V. DHOBALE Director Y. C. DEVESHWAR Chairman
R. TANDON Chief Financial Officer B. B. CHATTERJEE Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2013

	For the year ended 31st March, 2013 (₹ in Crores)	For the year ended 31st March, 2012 (₹ in Crores)
A. Cash Flow from Operating Activities		
PROFIT BEFORE TAX	11105.65	9168.15
ADJUSTMENTS FOR :		
Depreciation and Amortisation Expense	859.11	745.48
Finance costs	87.18	80.50
Interest Income	(342.79)	(321.88)
Dividend Income from Long Term Investments	(14.52)	(16.32)
Dividend Income from Current Investments	(232.22)	(222.38)
Loss on Sale of Fixed Assets - Net	25.30	12.72
Net gain on sale of Current Investments etc.	(148.20)	(76.05)
Gain on sale of Long Term Investments	(121.62)	(137.25)
Doubtful and Bad Debts	9.72	14.38
Doubtful and Bad Advances, Loans and Deposits	0.38	2.72
Provision for Standard Assets	0.06	...
Excess of Carrying Cost over Fair Value of Current Investments - Net	-	5.74
Excess of Cost of Current Investments over Fair Value, reversed - Net	(25.80)	-
Foreign Currency translations and transactions - Net	6.49	(12.32)
Amortisation of Miscellaneous Expenditure	-	0.11
Impairment of Goodwill on consolidation	9.35	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	11218.09	9243.60
ADJUSTMENTS FOR :		
Trade Receivables, Loans and Advances and Other Assets	(446.35)	(357.02)
Inventories	(985.44)	(408.29)
Trade Payables, Other Liabilities and Provisions	330.89	192.71
CASH GENERATED FROM OPERATIONS	10117.19	8671.00
Income Tax Paid	(3015.36)	(2415.34)
NET CASH FROM OPERATING ACTIVITIES	7101.83	6255.66
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(2644.26)	(2467.84)
Sale of Fixed Assets	9.65	58.87
Purchase of Current Investments etc.	(75659.79)	(54258.22)
Sale/Redemption of Current Investments etc.	75017.59	53714.67
Purchase of Long Term Investments	(53.33)	(10.46)
Sale of Long Term Investments	134.44	164.61
Dividend Income from Long Term Investments Received	14.52	16.32
Dividend Income from Current Investments Received	232.22	222.38
Dividend from Associates	2.23	2.01
Interest Received	265.43	302.01
Purchase of interest in Joint Venture	-	(22.22)
Investment in bank deposits (original maturity more than 3 months)	(3451.60)	(2641.13)
Redemption/Maturity of bank deposits (original maturity more than 3 months)	2681.48	2215.12
Investment in deposits with financial institutions	(425.00)	-
Loans Given to Associates	(7.00)	-
Loans Realised	2.07	10.08
NET CASH USED IN INVESTING ACTIVITIES	(3881.35)	(2693.80)

Consolidated Cash Flow Statement for the year ended 31st March, 2013

	For the year ended 31st March, 2013 (₹ in Crores)	For the year ended 31st March, 2012 (₹ in Crores)
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital	922.31	764.99
Proceeds from Long Term Borrowings	0.35	27.69
Repayments of Long Term Borrowings	(12.06)	(10.79)
Net increase / (decrease) in Cash / Export Credit Facilities	(1.89)	(22.11)
Interest Paid	(70.93)	(19.43)
Net increase in Statutory Restricted Accounts Balances	15.16	16.83
Dividends Paid	(3591.62)	(3502.61)
Income Tax on Dividends Paid	(571.33)	(559.22)
NET CASH USED IN FINANCING ACTIVITIES	(3310.01)	(3304.65)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(89.53)	257.21
OPENING CASH AND CASH EQUIVALENTS	398.05	140.84
CLOSING CASH AND CASH EQUIVALENTS	308.52	398.05
<i>Notes :</i>		
1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statements".		
2. CASH AND CASH EQUIVALENTS :		
Cash and Cash Equivalents as above	308.52	398.05
Other bank balances	3513.87	2728.59
Unrealised Gain on Foreign Currency Cash and Cash Equivalents	5.91	3.48
Cash and bank balances (Note 16)	<u>3828.30</u>	<u>3130.12</u>

The accompanying notes 1 to 31 are an integral part of the Financial Statements.

In terms of our report of even date
For Deloitte Haskins & Sells
Chartered Accountants

P. R. RAMESH
Partner

Kolkata, 17th May, 2013

On behalf of the Board

P. V. DHOBALÉ

Director

R. TANDON *Chief Financial Officer*

Y. C. DEVESHWAR

Chairman

B. B. CHATTERJEE *Company Secretary*

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2013 (₹ in Crores)	As at 31st March, 2012 (No. of Shares)	As at 31st March, 2012 (₹ in Crores)
1. Share capital				
Authorised				
Ordinary Shares of ₹ 1.00 each	10,00,00,00,000	1000.00	10,00,00,00,000	1000.00
Issued and Subscribed				
Ordinary Shares of ₹ 1.00 each, fully paid	7,90,18,33,110	790.18	7,81,84,24,300	781.84

A) Reconciliation of number of Ordinary Shares outstanding

As at beginning of the year	7,81,84,24,300	781.84	7,73,81,44,280	773.81
Add: Issue of Shares on exercise of Options	8,34,08,810	8.34	8,02,80,020	8.03
As at end of the year	7,90,18,33,110	790.18	7,81,84,24,300	781.84

B) Shareholders holding more than 5% of the Ordinary Shares in the Company

	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2013 %	As at 31st March, 2012 (No. of Shares)	As at 31st March, 2012 %
Tobacco Manufacturers (India) Limited	1,98,55,64,880	25.13	1,98,55,64,880	25.39
Life Insurance Corporation of India	96,18,42,593	12.17	93,87,40,442	12.01
Specified Undertaking of the Unit Trust of India	89,67,24,540	11.35	89,67,22,590	11.47

C) Ordinary Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31st March

	2013 (No. of Shares)	2012 (No. of Shares)
Bonus Shares issued in 2010-11	3,82,67,01,530	3,82,67,01,530

D) Rights, preferences and restrictions attached to the Ordinary Shares

The Ordinary Shares of the Company, having par value of ₹ 1.00 per share, rank *pari passu* in all respects including voting rights and entitlement to dividend.

E) Shares reserved for issue under Options

	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2012 (No. of Shares)
Ordinary Shares of ₹ 1.00 each	25,06,80,820	27,20,11,920

Terms and Conditions of Options Granted

Each Option entitles the holder thereof to apply for and be allotted ten Ordinary Shares of the Company of ₹ 1.00 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of five years from (i) the date of grant in respect of Options granted under the ITC Employee Stock Option Scheme (introduced in 2001) and (ii) the date of vesting in respect of Options granted under the ITC Employee Stock Option Scheme -2006 & the ITC Employee Stock Option Scheme -2010.

The vesting period for conversion of Options is as follows:

On completion of 12 months from the date of grant of the Options:	30% vests
On completion of 24 months from the date of grant of the Options:	30% vests
On completion of 36 months from the date of grant of the Options:	40% vests

The Options have been granted at the 'market price' as defined from time to time under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)	As at 31st March, 2012 (₹ in Crores)
2. Reserves and surplus		
Capital Reserve		
At the beginning and at the end of the year	5.75	5.75
Capital Reserve on consolidation		
At the beginning and at the end of the year	74.12	74.12
Capital Redemption Reserve		
At the beginning of the year	5.13	5.06
Add: Consequent to change in Group's Interest	...	0.07
At the end of the year	5.13	5.13
Securities Premium Account		
At the beginning of the year	2533.43	1776.47
Add: On issue of Shares	913.97	756.96
Consequent to change in Group's Interest	0.01	-
At the end of the year	3447.41	2533.43
Revaluation Reserve		
At the beginning of the year	102.76	102.51
Add: Consequent to change in Group's Interest	0.01	0.62
Less: Depreciation	0.38	0.34
On disposal of fixed assets	0.30	0.03
At the end of the year	102.09	102.76
Contingency Reserve		
At the beginning and at the end of the year	363.05	363.05
Foreign Currency Translation Reserve		
At the beginning of the year	96.61	61.52
Add: Adjustment for translation of Non Integral Foreign Operations	23.43	35.09
At the end of the year	120.04	96.61
Special Reserve under Section 45-IC of the RBI Act, 1934		
At the beginning of the year	69.10	62.81
Add: Transfer from Surplus in Statement of Profit and Loss	11.79	6.29
At the end of the year	80.89	69.10
Employees Housing Reserve under Nepal labour laws		
At the beginning of the year	27.26	18.85
Add: Transfer from Surplus in Statement of Profit and Loss	10.75	8.41
At the end of the year	38.01	27.26
Subsidy Reserve		
At the beginning and at the end of the year	0.23	0.23
General Reserve		
At the beginning of the year	13254.73	12602.69
Add: Consequent to change in Group's Interest	0.02	0.94
Transfer from Surplus in Statement of Profit and Loss	750.93	651.10
Less: Transfer to Surplus in Statement of Profit and Loss	64.48	-
At the end of the year	13941.20	13254.73
Surplus in Statement of Profit and Loss		
At the beginning of the year	2123.11	624.34
Add: Transfer from General Reserve	64.48	-
Surplus brought forward for Joint Ventures	19.14	16.89
Profit for the Year	7608.07	6258.14
Less: Transfer to General Reserve	750.93	651.10
Transfer to Special Reserve under Section 45-IC of the RBI Act, 1934	11.79	6.29
Employees Housing Reserve under Nepal labour laws	10.75	8.41
Consequent to change in Group's Interest	0.04	1.42
Proposed Dividend [₹ 5.25 (2012- ₹ 4.50) per share]	4148.46	3518.29
Income Tax on Dividend Proposed/Paid		
- Current Year	705.97	571.68
- Earlier year's provision no longer required	(0.61)	(0.59)
Share of Revenue reserves of Joint Ventures carried forward	23.73	19.66
At the end of the year	4163.74	2123.11
TOTAL	22341.66	18655.28
Share of Joint Ventures - Note 28 (ii) (b)	26.06	21.46
GRAND TOTAL	22367.72	18676.74

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)	As at 31st March, 2012 (₹ in Crores)
3. Long-term borrowings		
Unsecured		
Term loans		
– From Banks	0.02	0.12
– From Others	1.88	2.08
	1.90	2.20
Deferred payment liabilities		
Sales tax deferment loans	66.38	77.20
TOTAL	68.28	79.40
Share of Joint Ventures - Note 28 (ii) (b)*	22.52	25.98
GRAND TOTAL	90.80	105.38

* secured by hypothecation of certain fixed assets and current assets.

Terms of borrowings are as under:

Term loans from Banks:

Repayable in equated periodic instalments upto a 5 year period from the date of respective loan. These are repayable by 2014-15 and carry an interest of 11.25% p.a.

Term loans from Others:

Comprise two interest free loans. One of the loans is repayable by 2016-17 in annual instalments and the other loan stipulates repayment on the basis of 50% of the net profits earned by a subsidiary or the residual balance, whichever is less.

Sales tax deferment loans:

Repayable after a period of 10 to 14 years from the end of the month of respective loans. These are repayable by 2025-26 and are interest free.

Share of Joint Ventures:

Represents deferred payment liabilities which are repayable in 16 equal half yearly instalments alongwith interest. These are repayable by 2020-21 and carry an interest of 11.00% p.a.

The scheduled maturity of the Long-term borrowings are summarised as under:

	Term Loans	Deferred Payment Liabilities	Term Loans	Deferred Payment Liabilities
Borrowings repayable				
In the first year (Note 8)	0.42	14.63	1.06	11.00
Current maturities of long-term debt	0.42	14.63	1.06	11.00
In the second year	0.38	18.84	0.49	14.63
In the third to fifth year	1.47	43.39	1.71	50.94
After five years	0.05	26.67	–	37.61
Long-term borrowings	1.90	88.90	2.20	103.18

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)	As at 31st March, 2012 (₹ in Crores)
4A. Deferred tax liabilities (Net)		
Deferred tax liabilities		
On fiscal allowances on fixed assets	1218.06	1056.30
On excise duty on closing stock	490.57	245.01
Other timing differences	7.15	4.85
	1715.78	1306.16
Share of Joint Ventures - Note 28 (ii) (b)	1.04	0.87
Total Deferred tax liabilities	1716.82	1307.03
Deferred tax assets		
On employees' separation and retirement etc.	49.28	56.16
On provision for doubtful debts/advances	12.01	10.18
On State and Central taxes etc.	408.83	334.74
Other timing differences	32.94	23.74
	503.06	424.82
Share of Joint Ventures - Note 28 (ii) (b)	0.17	0.18
Total Deferred tax assets	503.23	425.00
	1213.59	882.03
4B. Deferred tax assets (Net)		
Deferred tax assets		
On fiscal allowances on fixed assets	3.17	1.11
On employees' separation and retirement etc.	8.28	7.50
On provision for doubtful debts/advances	2.26	2.24
On unabsorbed tax losses and depreciation *	3.80	0.10
Other timing differences	6.95	5.59
	24.46	16.54
Share of Joint Ventures - Note 28 (ii) (b) *	0.69	0.80
Total Deferred tax assets	25.15	17.34
Deferred tax liabilities		
On fiscal allowances on fixed assets	0.05	0.07
Other timing differences	0.98	1.00
	1.03	1.07
Share of Joint Ventures - Note 28 (ii) (b)	0.01	0.01
Total Deferred tax liabilities	1.04	1.08
	24.11	16.26

* Set up based on virtual certainty of future taxable income available to realise such assets.

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)	As at 31st March, 2012 (₹ in Crores)
5. Other Long term liabilities		
Trade payables	1.32	–
Sundry deposits	31.19	31.25
Others (Includes retention monies payable towards fixed assets etc.)	7.96	19.23
TOTAL	40.47	50.48
6. Long-term provisions		
Provision for employee benefits		
Retirement benefits	72.96	63.83
Other benefits	71.20	55.34
Provision for standard assets	0.09	0.03
TOTAL	144.25	119.20
Share of Joint Ventures - Note 28 (ii) (b)	0.50	0.43
GRAND TOTAL	144.75	119.63
7. Short-term borrowings		
Secured		
Loans from Banks		
Cash credit facilities	–	1.89
TOTAL	–	1.89

Cash credit facilities are secured by hypothecation of certain fixed assets, investments and current assets, both present and future.

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)	As at 31st March, 2012 (₹ in Crores)
8. Other current liabilities		
Current maturities of long-term debt (Note 3)	11.58	10.33
Interest accrued but not due on borrowings	0.32	0.40
Income received in advance	1.43	1.37
Unpaid dividend*	95.92	80.76
Unpaid matured deposits and interest accrued thereon
Unpaid matured debentures / bonds and interest accrued thereon**	0.32	0.32
Sundry deposits	33.93	30.74
Other payables (includes payables for fixed assets, statutory liabilities, advances from customers etc.)	3410.61	3300.02
TOTAL	3554.11	3423.94
Share of Joint Ventures - Note 28 (ii) (b)	5.92	5.08
GRAND TOTAL	3560.03	3429.02

* Represents dividend amounts either not claimed or kept in abeyance in accordance with Section 206A of the Companies Act, 1956, or such amounts in respect of which Prohibitory / Attachment Orders are on record with the Company.

** Represents amounts which are subject matter of pending legal disputes, details in respect of which are on record with the Company, including an amount of ₹ 0.30 Crore (2012 - ₹ 0.30 Crore) maintained with a bank for which the Company has filed a suit.

9. Short-term provisions		
Current portion of long-term employee benefits		
Retirement benefits	44.93	25.62
Other benefits	18.89	27.52
Current taxation (net of advance payment)	275.49	215.34
Fringe benefit tax (net of advance payment)	1.55	1.55
Provision for standard assets	-	...
Proposed dividend	4148.46	3518.29
Income tax on proposed dividend	705.03	570.75
TOTAL	5194.35	4359.07
Share of Joint Ventures - Note 28 (ii) (b)	0.04	0.03
GRAND TOTAL	5194.39	4359.10

Notes to the Consolidated Financial Statements

(₹ in Crores)

10. Fixed assets

Gross Block

Particulars	@ As at 31st March, 2011	Additions	Withdrawals and adjustments	Foreign Currency Translation Reserve adjustments	@ As at 31st March, 2012	Additions	Withdrawals and adjustments	Foreign Currency Translation Reserve adjustments	@ As at 31st March, 2013
Tangible assets									
Land									
Freehold *	1058.25	244.95	26.24	0.02	1276.98	6.29	18.23	0.01	1265.05
Leasehold	226.78	0.43	-	0.25	227.46	2.62	(16.76)	0.12	246.96
Buildings									
Freehold	2516.56	209.05	6.68	1.08	2720.01	1001.92	9.71	0.50	3712.72
Licensed Properties - Building Improvement	60.40	19.77	0.75	0.57	79.99	11.46	2.49	0.01	88.97
Plant and Equipment **	8849.86	1037.05	95.71	2.53	9793.73	1756.53	128.50	0.45	11422.21
Furniture and Fixtures	503.74	26.97	9.82	(1.70)	519.19	185.24	14.88	0.07	689.62
Vehicles	79.14	33.41	12.79	0.03	99.79	21.50	11.24	0.02	110.07
Office Equipment	23.45	3.03	1.16	0.19	25.51	4.21	2.69	0.02	27.05
Railway Sidings etc.	1.72	-	-	-	1.72	-	-	-	1.72
	13319.90	1574.66	153.15	2.97	14744.38	2989.77	170.98	1.20	17564.37
Share of Joint Ventures	64.03	1.77	0.98	-	64.82	9.96	1.03	-	73.75
TOTAL (A)	13383.93	1576.43	154.13	2.97	14809.20	2999.73	172.01	1.20	17638.12
Capital work-in-progress	1357.14	2248.88	1255.99	-	2350.03	2612.95	2970.50	6.30	1998.78
Share of Joint Ventures	0.01	39.09	0.26	-	38.84	3.75	-	-	42.59
TOTAL (B)	1357.15	2287.97	1256.25	-	2388.87	2616.70	2970.50	6.30	2041.37
Tangible assets (A+B)	14741.08	3864.40	1410.38	2.97	17198.07	5616.43	3142.51	7.50	19679.49
Intangible assets (acquired)									
Goodwill	4.90	-	-	-	4.90	-	-	-	4.90
Trademarks	6.37	-	-	0.06	6.43	-	-	0.03	6.46
Computer Software	278.01	19.41	1.51	0.05	295.96	24.02	0.19	0.03	319.82
Know-how, Business and Commercial Rights	75.04	11.23	-	2.26	88.53	-	-	1.24	89.77
	364.32	30.64	1.51	2.37	395.82	24.02	0.19	1.30	420.95
Share of Joint Ventures	0.21	0.02	-	-	0.23	0.06	-	-	0.29
TOTAL (C)	364.53	30.66	1.51	2.37	396.05	24.08	0.19	1.30	421.24
Intangible assets under development	10.80	23.09	26.30	-	7.59	28.08	15.01	-	20.66
Share of Joint Ventures	-	-	-	-	-	-	-	-	-
TOTAL (D)	10.80	23.09	26.30	-	7.59	28.08	15.01	-	20.66
Intangible assets (C+D)	375.33	53.75	27.81	2.37	403.64	52.16	15.20	1.30	441.90

The above includes following assets given on operating lease:

Particulars	As at 31st March, 2013			2013	As at 31st March, 2012			2012
	Gross Block	Accumulated Depreciation	Net Block	Depreciation Charge for the year	Gross Block	Accumulated Depreciation	Net Block	Depreciation Charge for the year
Buildings	1.33	0.38	0.95	0.04	1.33	0.34	0.99	0.04
Plant and Equipment	310.31	176.53	133.78	12.54	238.68	163.96	74.72	10.57
Total	311.64	176.91	134.73	12.58	240.01	164.30	75.71	10.61

Notes to the Consolidated Financial Statements

(₹ in Crores)

10. Fixed assets (contd.)

Particulars	Depreciation and amortisation								Net Book Value			
	Upto 31st March, 2011	For the year	On Withdrawals and adjustments	Foreign Currency Translation Reserve adjustments	Upto 31st March, 2012	For the year	On Withdrawals and adjustments	Foreign Currency Translation Reserve adjustments	Upto 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2011
Tangible assets												
Land												
Freehold *	–	–	–	–	–	–	–	–	–	1265.05	1276.98	1058.25
Leasehold	19.48	2.63	–	0.25	22.36	1.15	–	0.12	23.63	223.33	205.10	207.30
Buildings												
Freehold	452.53	58.09	3.28	1.04	508.38	70.85	9.70	0.49	570.02	3142.70	2211.63	2064.03
Licensed Properties - Building Improvement	28.34	8.21	0.19	0.12	36.48	14.34	1.86	0.01	48.97	40.00	43.51	32.06
Plant and Equipment **	3795.28	581.70	64.68	1.75	4314.05	672.99	104.93	0.41	4882.52	6539.69	5479.68	5054.58
Furniture and Fixtures	279.10	29.27	8.49	(0.54)	299.34	43.52	12.23	0.07	330.70	358.92	219.85	224.64
Vehicles	25.79	8.20	6.68	0.02	27.33	10.03	5.84	0.01	31.53	78.54	72.46	53.35
Office Equipment	10.41	1.54	0.89	0.13	11.19	1.55	2.07	0.02	10.69	16.36	14.32	13.04
Railway Sidings etc.	0.82	0.15	–	–	0.97	0.08	–	–	1.05	0.67	0.75	0.90
	4611.75	689.79	84.21	2.77	5220.10	814.51	136.63	1.13	5899.11	11665.26	9524.28	8708.15
Share of Joint Ventures	9.57	1.29	0.71	–	10.15	1.42	1.01	–	10.56	63.19	54.67	54.46
TOTAL (A)	4621.32	691.08	84.92	2.77	5230.25	815.93	137.64	1.13	5909.67	11728.45	9578.95	8762.61
Capital work-in-progress	–	–	–	–	–	–	–	–	–	1998.78	2350.03	1357.14
Share of Joint Ventures	–	–	–	–	–	–	–	–	–	42.59	38.84	0.01
TOTAL (B)	–	–	–	–	–	–	–	–	–	2041.37	2388.87	1357.15
Tangible assets (A+B)	4621.32	691.08	84.92	2.77	5230.25	815.93	137.64	1.13	5909.67	13769.82	11967.82	10119.76
Intangible assets (acquired)												
Goodwill	4.90	–	–	–	4.90	–	–	–	4.90	–	–	–
Trademarks	5.62	0.60	–	0.04	6.26	0.05	–	0.02	6.33	0.13	0.17	0.75
Computer Software	150.60	47.69	1.24	0.05	197.10	37.54	0.19	0.03	234.48	85.34	98.86	127.41
Know-how, Business and Commercial Rights	58.93	6.42	–	2.26	67.61	5.94	–	1.24	74.79	14.98	20.92	16.11
	220.05	54.71	1.24	2.35	275.87	43.53	0.19	1.29	320.50	100.45	119.95	144.27
Share of Joint Ventures	0.14	0.03	–	–	0.17	0.03	–	–	0.20	0.09	0.06	0.07
TOTAL (C)	220.19	54.74	1.24	2.35	276.04	43.56	0.19	1.29	320.70	100.54	120.01	144.34
Intangible assets under development	–	–	–	–	–	–	–	–	–	20.66	7.59	10.80
Share of Joint Ventures	–	–	–	–	–	–	–	–	–	–	–	–
TOTAL (D)	–	–	–	–	–	–	–	–	–	20.66	7.59	10.80
Intangible assets (C+D)	220.19	54.74	1.24	2.35	276.04	43.56	0.19	1.29	320.70	121.20	127.60	155.14
Provision for assets given on lease	–	–	–	–	–	–	–	–	–	5.67	5.67	5.67
GRAND TOTAL										13885.35	12089.75	10269.23

@ Original Cost / Professional Valuation as at 30th June, 1986 in respect of assets of ITC Limited, as at 31st March, 1987 in respect of Surya Nepal Private Limited and as at 31st March, 1999 in respect of Bay Islands Hotels Limited.

Land Freehold includes the provisional purchase price of (a) ₹ 17.29 Crores (2012 - ₹ 17.29 Crores) in respect of land at Bengaluru. Final purchase price is to be determined by the Karnataka Industrial Areas Development Board, on settlement of which and on execution of a Sale Deed, title will pass to the Company in 21 years time from the date of agreement (b) ₹ 8.92 Crores (2012 - ₹ 8.92 Crores) in respect of land at Mysore for which sale deed has been executed by the Karnataka Industrial Areas Development Board, yet to be registered.

Land Freehold includes certain lands at Munger which stood vested with the State of Bihar under the Bihar Land Reforms Act, 1950 for which compensation has not yet been determined.

Litigation relating to the ITC Windsor land is pending. In the opinion of the management based upon legal advice, the Company's title to the property is tenable. Buildings Freehold include ₹ 898.22 Crores (2012 - ₹ 776.30 Crores), aggregate cost of building on leasehold land situated at various locations.

Trademarks are being amortised over 10 years.

Out of the total amount of "Know-how, Business and Commercial Rights" aggregating ₹ 89.77 Crores (2012 - ₹ 88.53 Crores) :-

- ₹ 59.97 Crores (2012 - ₹ 59.97 Crores) acquired in earlier years are being amortised over 10 years.
- ₹ 24.83 Crores (2012 - ₹ 23.59 Crores) acquired in earlier years and have been amortised over 5 years.
- ₹ 4.97 Crores (2012 - ₹ 4.97 Crores) acquired in earlier years and have been amortised over 4 years.

Depreciation for the year includes ₹ 0.38 Crore (2012 - ₹ 0.34 Crore) transferred from Revaluation Reserve in respect of revalued assets.

* Based on the professional valuation, Wimco Limited has revalued a plot of land at Chennai by ₹ 45.87 Crores during 2010-11 and the same has been transferred to Revaluation Reserve Account.

** In respect of assets aggregating to ₹ 18.50 Crores (2012 - ₹ 18.50 Crores), the primary lease period has expired and balances reflected on this account have been fully realised or provided for.

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
11. Non-current investments (at cost unless otherwise stated)				
Long Term				
A. TRADE INVESTMENTS				
INVESTMENT IN EQUITY INSTRUMENTS				
In Subsidiaries				
ITC Global Holdings Pte. Limited (in liquidation) 89,99,645 Ordinary Shares of US \$ 1.00 each, fully paid (cost ₹ 25.58 Crores, fully provided)		–		–
In Associates				
International Travel House Limited 39,14,233 Equity Shares of ₹ 10.00 each, fully paid Cost of acquisition (including goodwill of ₹ 11.89 Crores) Add / (Less) : Group Share of Profits / (Losses) upto 31.03.2013	21.87 49.52	71.39	21.87 42.68	64.55
Gujarat Hotels Limited 17,33,907 Equity Shares of ₹ 10.00 each, fully paid Cost of acquisition (including goodwill of ₹ 1.16 Crores) Add / (Less) : Group Share of Profits / (Losses) upto 31.03.2013	1.94 7.89	9.83	1.94 7.03	8.97
ATC Limited 55,650 Equity Shares of ₹ 100.00 each, fully paid Cost of acquisition (net of capital reserve of ₹ 0.16 Crore) Add / (Less) : Group Share of Profits / (Losses) upto 31.03.2013 1,39,125 Equity Shares of ₹ 100.00 each, partly paid Cost of acquisition (including goodwill of ₹ 0.30 Crore) Add / (Less) : Group Share of Profits / (Losses) upto 31.03.2013		0.83 0.91 1.74	0.83 0.78	1.61 3.39
Russell Investments Limited 42,75,435 Equity Shares of ₹ 10.00 each, fully paid Cost of acquisition (net of capital reserve of ₹ 0.30 Crore) Add / (Less) : Group Share of Profits / (Losses) upto 31.03.2013		4.27 4.69 8.96	4.27 4.34	8.61
Classic Infrastructure and Development Limited 54,00,000 Equity Shares of ₹ 10.00 each, fully paid Cost of acquisition (including goodwill of ₹ 7.78 Crores) Add / (Less) : Group Share of Profits / (Losses) upto 31.03.2013		10.40 0.72 11.12	10.40 0.60	11.00
Divya Management Limited 41,82,915 Equity Shares of ₹ 10.00 each, fully paid Cost of acquisition (including goodwill of ₹ 1.09 Crores) Add / (Less) : Group Share of Profits / (Losses) upto 31.03.2013		6.93 0.11 7.04	6.93 0.08	7.01
Antrang Finance Limited 43,24,634 Equity Shares of ₹ 10.00 each, fully paid Cost of acquisition (including goodwill of ₹ 0.10 Crore) Add / (Less) : Group Share of Profits / (Losses) upto 31.03.2013		4.40 0.24 4.64	4.40 0.17	4.57
In Others				
VST Industries Limited 476 (2012 - 7,72,501) Equity Shares of ₹ 10.00 each, fully paid		0.01		12.83
Hotel Leelaventure Limited 5,47,18,674 (2012 - 5,30,89,889) Equity Shares of ₹ 2.00 each, fully paid		199.64		194.69
EIH Limited 9,21,78,024 (2012 - 8,56,21,473) Equity Shares of ₹ 2.00 each, fully paid		440.67		392.29
Punjab Anand Batteries Limited (in liquidation) 11,86,157 Equity Shares of ₹ 10.00 each, fully paid - under Board for Industrial and Financial Reconstruction's Order of 20.04.1989 (cost ₹ 1.19 Crores, fully provided)		–		–
Carried over	721.54	37.13	673.33	36.19

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
11. Non-current investments (at cost unless otherwise stated) (Contd.)				
Brought forward	721.54	37.13	673.33	36.19
TRADE INVESTMENTS (Contd.)				
In Others (Contd.)				
Bihar Hotels Limited 8,00,000 Equity Shares of ₹ 2.00 each, fully paid		0.04		0.04
B. OTHER INVESTMENTS				
INVESTMENT IN EQUITY INSTRUMENTS				
Tourism Finance Corporation of India Limited 25,000 Equity Shares of ₹ 10.00 each, fully paid	0.05		0.05	
Lotus Court Private Limited 2 Class G Shares of ₹ 48000.00 each, fully paid		2.34		2.34
Adyar Property Holding Company Limited 311 Equity Shares of ₹ 100.00 each, partly paid		43.86		43.86
Andhra Pradesh Gas Power Corporation Limited 8,04,000 Equity Shares of ₹ 10.00 each, fully paid		2.32		2.32
Mirage Advertising and Marketing Limited 12,488 Equity Shares of ₹ 10.00 each, fully paid (cost ₹ 0.01 Crore, fully provided)		—		—
Bilaspur Cane Development Corporation Limited 100 Equity Shares of ₹ 10.00 each, fully paid (cost ₹ 1000.00)	
Prime Golf Ranking Private Limited 150 Equity Shares of ₹ 1.00 each, fully paid (cost ₹ 150.00)	
Woodlands Multispeciality Hospital Limited 13,050 Equity Shares of ₹ 10.00 each, fully paid		0.01		—
INVESTMENT IN DEBENTURES				
Woodlands Multispeciality Hospital Limited 1/2% Registered Debentures, fully paid (cost ₹ 15200.00) 5% Registered Debentures, fully paid		—		0.01
INVESTMENT IN GOVERNMENT OR TRUST SECURITIES				
Government Securities (cost ₹ 76000.00)		0.01		0.01
Government Securities - National Savings Certificates (cost ₹ 10000.00)	
National Savings Certificate, fully paid (Deposited with Government Authorities) (cost ₹ 5000.00)	
Kisan Vikas Patra, fully paid (Deposited with Government Authorities) (cost ₹ 6000.00)	
National Saving Certificate pledged at Mandi Samiti [cost ₹ 27000.00 (2012 - ₹ 40000.00)]	
Government Securities				
5% Bikash Rinpatra, 2071 (Vikram Samvat Calendar Year)		5.27		5.27
6.5% Bikash Rinpatra, 2075 (Vikram Samvat Calendar Year)		1.60		1.60
Aggregate amount of quoted and unquoted Investments	721.59	92.58	673.38	91.64
Total Non-current investments		814.17		765.02

Aggregate market value of quoted investments ₹ 721.29 Crores (2012 - ₹ 1120.37 Crores).
Aggregate provision for diminution in value ₹ 26.78 Crores (2012 - ₹ 26.78 Crores).

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
12. Long-term loans and advances				
Capital advances				
Unsecured, considered good		295.70		314.23
Security deposits				
Unsecured, considered good	594.46		463.25	
Doubtful	2.96		3.13	
	597.42		466.38	
Less: Provision for doubtful deposits	2.96	594.46	3.13	463.25
Loans and advances to related parties				
Security deposits - unsecured, considered good	0.02		0.06	
Loans and advances - secured, considered good	5.60		—	
Loans and advances - unsecured, considered good	0.25	5.87	0.41	0.47
Advance tax (net of provisions) - unsecured, considered good		21.94		34.01
Fringe benefit tax (net of provisions) - unsecured, considered good		0.11		0.17
Other loans and advances (Comprise loans to employees, prepaid expenses, advances with statutory authorities etc.)				
Secured, considered good	0.47		0.88	
Unsecured, considered good	326.65		281.10	
Doubtful	15.52		17.30	
	342.64		299.28	
Less: Provision for doubtful loans and advances	15.52	327.12	17.30	281.98
TOTAL		1245.20		1094.11
Share of Joint Ventures - Note 28 (ii) (b)		1.10		2.02
GRAND TOTAL		1246.30		1096.13

12A. Other non-current assets

Payments towards land / project development - unsecured,
considered good *

TOTAL

1.24

1.24

1.24

1.24

* Suit for partition of land is pending

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value)				
Investment in Preference Shares				
ICICI Bank Limited 310 Non-Cumulative, Non-Participating, Non-Voting, Preference Shares of ₹ 10000000.00 each, fully paid		160.94		134.99
Investment in Bonds				
Indian Railway Finance Corporation Limited 10,000 6.30% Tax Free Bonds of ₹ 100000.00 each, fully paid 10,00,000 7.18% Tax Free Bonds of ₹ 1000.00 each, fully paid 4,35,012 8.00% Tax Free Bonds of ₹ 1000.00 each, fully paid	100.00 43.50	93.46	– 43.50	93.46
India Infrastructure Finance Company Limited 43,570 (2012 - 43,070) 6.85% Tax Free Bonds (22/01/2014) of ₹ 100000.00 each, fully paid 3,000 6.85% Tax Free Bonds (20/03/2014) of ₹ 100000.00 each, fully paid		429.87 29.57		424.91 29.57
Power Finance Corporation Limited 1,500 8.09% Tax Free Bonds (25/11/2021) of ₹ 100000.00 each, fully paid 1,00,000 8.20% Tax Free Bonds (01/02/2022) of ₹ 1000.00 each, fully paid	10.53	15.67	–	–
National Highways Authority of India 4,94,476 8.20% Tax Free Bonds of ₹ 1000.00 each, fully paid	49.45		49.45	
National Housing Bank 1,03,785 Zero Coupon Bonds 2018 of ₹ 10000.00 each, fully paid		61.85		56.79
National Bank for Agriculture and Rural Development 4,100 Zero Coupon Bhavishya Nirman Bonds 2017 of ₹ 20000.00 each, fully paid 1,41,270 Zero Coupon Bhavishya Nirman Bonds 2019 of ₹ 20000.00 each, fully paid		5.55 167.57		5.10 153.83
Rural Electrification Corporation Limited 30,00,000 7.22% Tax Free Bonds of ₹ 1000.00 each, fully paid	300.00		–	
Investment in Government or Trust Securities				
National Saving Certificate pledged at Mandi Samiti (cost ₹ 13000.00)		...		–
Investment in Mutual Funds				
Axis Fixed Term Plan - Series 20 (3 Months) - Dividend Payout Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
Birla Sun Life Fixed Maturity Plan - Series DS - Growth Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Birla Sun Life Fixed Maturity Plan - Series EU - Dividend Payout Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Birla Sun Life Fixed Term Plan - Series DT - Growth Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
Birla Sun Life Fixed Term Plan - Series DY - Growth Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
Birla Sun Life Fixed Term Plan - Series EB - Growth Nil (2012 - 3,00,00,000) Units of ₹ 10.00 each	–		30.00	
Birla Sun Life Fixed Term Plan - Series EE - Dividend - Payout Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
Birla Sun Life Fixed Term Plan - Series EM - Growth Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
Birla Sun Life Fixed Term Plan - Series EW - Growth Nil (2012 - 4,50,00,000) Units of ₹ 10.00 each	–		45.00	
Birla Sun Life Fixed Term Plan - Series FA - Growth Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
Birla Sun Life Fixed Term Plan - Series FU - Dividend (366 Days) - Payout 2,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	20.00		–	
Carried over	523.48	964.48	307.95	898.65

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	523.48	964.48	307.95	898.65
Investment in Mutual Funds (Contd.)				
Birla Sun Life Fixed Term Plan - Series FV - Growth (367 Days) 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
Birla Sun Life Fixed Term Plan - Series GB - Growth (541 Days) 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
Birla Sun Life Fixed Term Plan - Series GO (369 Days) - Growth 1,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	10.00		–	
Birla Sun Life Fixed Term Plan - Series GQ (367 Days) - Growth 1,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	10.00		–	
Birla Sun Life Floating Rate - Long Term Institutional Plan - Daily Dividend - Reinvestment 2,92,741 (2012 - 2,73,128) Units of ₹ 100.00 each		2.93		2.73
Birla Sun Life Floating Rate Fund - Daily Dividend Reinvestment Nil (2012 - 16,80,760) Units of ₹ 100.00 each		–		16.81
Birla Sun Life Floating Rate Long Term - Daily Dividend - Regular Plan - Reinvestment 77,01,889 (2012 - Nil) Units of ₹ 100.00 each		77.14		–
Birla Sun Life Floating Rate Fund Short Term Plan - Growth - Regular Plan 7,97,683 (2012 - Nil) Units of ₹ 100.00 each	12.20		–	
Birla Sun Life Floating Rate Fund - Short Term Plan - Institutional Plan - Daily Dividend Reinvestment Nil (2012 - 1,92,295) Units of ₹ 100.00 each		–		1.92
Birla Sun Life Interval Income Fund - Annual Plan 2 - Growth 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
Birla Sun Life Interval Income Fund - Quarterly Plan - Series 1 - Dividend - Regular Plan Payout 30,00,000 (2012 - Nil) Units of ₹ 10.00 each	3.00		–	
Birla Sun Life Quarterly Interval Fund - Series 4 - Dividend Payout Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
Birla Sun Life Savings Fund - Daily Dividend - Regular Plan - Reinvestment 25,74,992 (2012 - Nil) Units of ₹ 100.00 each		25.78		–
Birla Sun Life Savings Fund - Growth - Regular Plan 23,17,351 (2012 - Nil) Units of ₹ 100.00 each		50.00		–
Birla Sun Life Short Term Fixed Maturity Plan - Series 22 - Dividend Payout Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
Birla Sun Life Short Term Fixed Maturity Plan - Series 23 - Dividend Payout Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
Birla Sun Life Short Term Fixed Maturity Plan - Series 29 - Dividend Payout Nil (2012 - 2,70,00,000) Units of ₹ 10.00 each	–		27.00	
Birla Sun Life Short Term Fixed Maturity Plan - Series 30 - Dividend Payout Nil (2012 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
BNP Paribas Money Plus Fund - Growth 5,28,96,512 Units of ₹ 10.00 each		71.23		71.23
Canara Robeco Fixed Maturity Plan Series 7 - Plan A - Growth Plan Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
Canara Robeco Interval Series - 2 - Quarterly Plan 2 - Institutional Dividend Fund Nil (2012 - 99,97,501) Units of ₹ 10.00 each	–		10.00	
Canara Robeco Liquid Fund - Regular Growth 1,00,307 (2012 - Nil) Units of ₹ 1000.00 each	13.91		–	
Canara Robeco Treasury Advantage Fund - Regular Daily Dividend 2,07,239 (2012 - Nil) Units of ₹ 1000.00 each		25.71		–
Carried over	627.59	1217.27	474.95	991.34

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	627.59	1217.27	474.95	991.34
Investment in Mutual Funds (Contd.)				
DSP BlackRock Fixed Maturity Plan - Series 81 - 12M - Dividend - Quarterly Payout 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
DSP BlackRock Fixed Maturity Plan - 12M - Series 12 - Growth Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
DSP BlackRock Fixed Maturity Plan - 12M - Series 16 - Growth Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
DSP BlackRock Fixed Maturity Plan - 12M - Series 23 - Growth Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
DSP BlackRock Fixed Maturity Plan - 12M - Series 32 - Growth Nil (2012 - 3,00,00,000) Units of ₹ 10.00 each	–		30.00	
DSP BlackRock Fixed Maturity Plan - 12M - Series 34 - Dividend Payout Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
DSP BlackRock Fixed Maturity Plan - 12M - Series 36 - Dividend Payout Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
DSP BlackRock Fixed Maturity Plan - Series 43 - 12M - Growth 1,50,00,000 Units of ₹ 10.00 each	15.00		15.00	
DSP BlackRock Fixed Maturity Plan - Series 37 - 13M - Dividend Payout 2,00,00,000 Units of ₹ 10.00 each	20.00		20.00	
DSP BlackRock Fixed Maturity Plan - 3M - Series 29 - Dividend Payout Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
DSP BlackRock Fixed Maturity Plan - 3M - Series 30 - Dividend Payout Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
DSP BlackRock Fixed Maturity Plan - 3M - Series 33 - Dividend Payout Nil (2012 - 3,00,00,000) Units of ₹ 10.00 each	–		30.00	
DSP BlackRock Fixed Maturity Plan - 3M - Series 40 - Dividend Payout Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
DSP BlackRock Fixed Maturity Plan - 3M - Series 42 - Dividend Payout Nil (2012 - 3,50,00,000) Units of ₹ 10.00 each	–		35.00	
DSP BlackRock Fixed Maturity Plan - Series 82 - 12M - Dividend - Quarterly Payout 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
DSP BlackRock Fixed Maturity Plan - Series 84 - 12M - Growth 5,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	50.00		–	
DSP BlackRock Fixed Maturity Plan - Series 86 - 12M - Growth 4,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	45.00		–	
DSP BlackRock Fixed Maturity Plan - Series 87 - 12M - Growth 4,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	40.00		–	
DSP BlackRock Fixed Maturity Plan - Series 93 - 12 M - Dividend - Quarterly Payout 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
DSP BlackRock Liquidity Fund - Institutional Plan - Daily Dividend Nil (2012 - 4,99,966) Units of ₹ 1000.00 each	–		–	50.01
DSP BlackRock Money Manager Fund - Regular Plan - Dividend 2,50,691 (2012 - Nil) Units of ₹ 1000.00 each	–	25.07	–	–
DSP BlackRock Money Manager Fund - Regular Plan - Growth 6,50,951 (2012 - Nil) Units of ₹ 1000.00 each	–	100.00	–	–
DSP BlackRock Strategic Bond Fund - Institutional Plan - Daily Dividend 7,63,250 (2012 - Nil) Units of ₹ 1000.00 each	–	76.86	–	–
DSP BlackRock Strategic Bond Fund - Monthly Dividend Nil (2012 - 2,44,500) Units of ₹ 1000.00 each	–	–	–	25.24
Carried over	852.59	1419.20	729.95	1066.59

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	852.59	1419.20	729.95	1066.59
Investment in Mutual Funds (Contd.)				
DWS Fixed Maturity Plan - Series 1 - Dividend Plan Payout Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
DWS Fixed Maturity Plan - Series 18 - Quarterly Dividend Plan - Payout 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
DWS Fixed Maturity Plan - Series 24 - Growth 2,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	20.00		–	
DWS Fixed Maturity Plan - Series 24 - Dividend - Regular Plan 70,00,000 (2012 - Nil) Units of ₹ 10.00 each	7.00		–	
DWS Fixed Maturity Plan - Series 28 - Regular Dividend - Payout 1,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	10.00		–	
DWS Fixed Maturity Plan - Series 5 - Growth Plan Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
DWS Short Maturity Fund - Quarterly Dividend - Reinvestment 7,21,58,034 (2012 - Nil) Units of ₹ 10.00 each	75.65		–	
DWS Ultra Short Term Fund - Institutional Plan - Dividend - Reinvestment 10,00,72,130 (2012 - Nil) Units of ₹ 10.00 each	100.07		–	
HDFC Annual Interval Fund Series 1 - Plan A - Growth 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
HDFC Cash Management Fund - Savings Plan - Daily Dividend Reinvestment Nil (2012 - 8,20,39,253) Units of ₹ 10.00 each	–			87.26
HDFC Fixed Maturity Plan 370D December 2011 (2) - Growth - Series XIX Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
HDFC Fixed Maturity Plan 370D February 2012 (2) - Growth - Series XXI Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
HDFC Fixed Maturity Plan 370D January 2012 (2) - Growth - Series XIX Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
HDFC Fixed Maturity Plan 370D January 2012 (3) - Growth - Series XIX Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
HDFC Fixed Maturity Plan 370D March 2012 (1) - Growth - Series XXI Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
HDFC Fixed Maturity Plan 370D November 2011 (1) - Growth - Series XIX Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
HDFC Fixed Maturity Plan 371D December 2012 (1) - Growth - Series 23 1,60,00,000 (2012 - Nil) Units of ₹ 10.00 each	16.00		–	
HDFC Fixed Maturity Plan 371D February 2013 (1) Series 23 - Growth 2,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	20.00		–	
HDFC Fixed Maturity Plan 371D July 2012 (1) - Quarterly Dividend - Series 22 1,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	10.00		–	
HDFC Fixed Maturity Plan 371D November 2012 (1) - Flexi - Series 23 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
HDFC Fixed Maturity Plan 371D November 2012 (2) - Flexi - Series 23 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
HDFC Fixed Maturity Plan 372D February 2013 (1) Series 23 - Growth 3,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	30.00		–	
HDFC Fixed Maturity Plan 372D January 2013 (2) Series 23 - Regular - Growth 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
HDFC Fixed Maturity Plan 372D January 2013 (3) Series 23 - Growth 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
HDFC Fixed Maturity Plan 384D March 2013 (1) Series 23 - Flexi 3,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	30.00		–	
HDFC Fixed Maturity Plan 566D December 2012 (1) - Flexi - Series 24 5,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	50.00		–	
Carried over	1321.31	1419.20	859.95	1153.85

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1321.31	1419.20	859.95	1153.85
Investment in Mutual Funds (Contd.)				
HDFC Fixed Maturity Plan 92D February 2012 (2) - Dividend - Series XIX Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
HDFC Fixed Maturity Plan 92D February 2012 (3) - Dividend - Series XIX Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
HDFC Fixed Maturity Plan 92D January 2012 (2) - Dividend - Series XIX Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
HDFC Fixed Maturity Plan 92D March 2012 (1) - Dividend - Series XIX Nil (2012 - 4,00,00,000) Units of ₹ 10.00 each	–		40.00	
HDFC Fixed Maturity Plan 92D March 2012 (3) - Dividend - Series XIX Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
HDFC Floating Rate Income Fund - Short Term Plan - Wholesale Option - Growth 7,76,03,057 (2012 - Nil) Units of ₹ 10.00 each		150.22		–
HDFC High Interest Fund - Short Term Plan - Dividend Nil (2012 - 2,38,23,226) Units of ₹ 10.00 each	–		25.21	
ICICI Prudential Fixed Maturity Plan Series 60 - 1 Year Plan F Cumulative Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
ICICI Prudential Fixed Maturity Plan Series 60 - 1 Year Plan J Cumulative Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
ICICI Prudential Fixed Maturity Plan Series 61 - 1 Year Plan C Dividend Nil (2012 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
ICICI Prudential Fixed Maturity Plan Series 61 - 1 Year Plan E Dividend Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
ICICI Prudential Fixed Maturity Plan Series 62 - 1 Year Plan G Cumulative Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
ICICI Prudential Fixed Maturity Plan Series 62 - 396 Days Plan F Dividend 3,00,00,000 Units of ₹ 10.00 each	30.00		30.00	
ICICI Prudential Fixed Maturity Plan Series 63 - 1 Year Plan B Dividend Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
ICICI Prudential Fixed Maturity Plan Series 64 - 367 Days Plan J Dividend 2,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	20.00		–	
ICICI Prudential Fixed Maturity Plan Series 65 - 366 Days Plan 1 Regular Plan Cumulative 10,00,000 (2012 - Nil) Units of ₹ 10.00 each		1.00		–
ICICI Prudential Fixed Maturity Plan Series 65 - 366 Days Plan I Regular Plan Dividend 2,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	20.00		–	
ICICI Prudential Fixed Maturity Plan Series 65 - 367 Days Plan B Dividend 2,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	20.00		–	
ICICI Prudential Fixed Maturity Plan Series 65 - 367 Days Plan H Dividend 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
ICICI Prudential Fixed Maturity Plan Series 65 - 502 Days Plan C Dividend 5,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	50.00		–	
ICICI Prudential Fixed Maturity Plan Series 65 - 505 Days Plan J Regular Plan Dividend 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
ICICI Prudential Fixed Maturity Plan Series 66 - 366 Days Plan F Cumulative 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
ICICI Prudential Fixed Maturity Plan Series 66 - 368 Days Plan B Cumulative 5,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	50.00		–	
ICICI Prudential Interval Fund Annual Interval Plan IV - Regular Plan - Growth 1,18,66,995 Units of ₹ 10.00 each	15.00		15.00	
Carried over	1601.31	1570.42	1155.16	1153.85

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1601.31	1570.42	1155.16	1153.85
Investment in Mutual Funds (Contd.)				
ICICI Prudential Interval Fund Half Yearly Interval Plan II Institutional Dividend Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
ICICI Prudential Interval Fund II Quarterly Interval Plan B Institutional Dividend Nil (2012 - 4,00,00,000) Units of ₹ 10.00 each	–		40.00	
ICICI Prudential Interval Fund II Quarterly Interval Plan D Institutional Dividend Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
ICICI Prudential Interval Fund II Quarterly Interval Plan Institutional Dividend Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
ICICI Prudential Interval Fund Quarterly Interval Plan - 1 Institutional Dividend Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
ICICI Prudential Long Term - Regular Plan - Quarterly Dividend 5,08,90,196 (2012 - Nil) Units of ₹ 10.00 each		50.92		–
ICICI Prudential Ultra Short Term - Regular Plan - Growth 6,56,07,614 (2012 - Nil) Units of ₹ 10.00 each		75.00		–
ICICI Prudential Ultra Short Term Plan - Regular Plan - Quarterly Dividend 2,51,04,051 (2012 - Nil) Units of ₹ 10.00 each		25.10		–
IDBI Fixed Maturity Plan - 369 Days - Series - II (February 2012) - C - Growth Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
IDFC Fixed Maturity Plan - Yearly Series 49 - Quarterly Dividend Nil (2012 - 3,50,00,000) Units of ₹ 10.00 each	–		35.00	
IDFC Fixed Maturity Plan - Yearly Series 52 - Growth Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
IDFC Fixed Maturity Plan - Yearly Series 53 - Growth Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
IDFC Fixed Maturity Plan - Yearly Series 57 - Growth Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
IDFC Fixed Maturity Plan - Yearly Series 61 - Quarterly Dividend Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
IDFC Fixed Maturity Plan - Yearly Series 62 - Growth Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
IDFC Fixed Maturity Plan - Yearly Series 64 - Dividend Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
IDFC Fixed Maturity Plan - Yearly Series 66 - Dividend Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
IDFC Fixed Maturity Plan 366 Days Series 74 - Periodic - Dividend 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
IDFC Fixed Maturity Quarterly Series 70 Dividend Nil (2012 - 3,00,00,000) Units of ₹ 10.00 each	–		30.00	
IDFC Fixed Maturity Quarterly Series 71 Dividend Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
IDFC Fixed Maturity Quarterly Series 73 Dividend Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
IDFC Money Manager Fund - Investment Plan - Institutional Plan B - Monthly Dividend Nil (2012 - 7,44,45,441) Units of ₹ 10.00 each	–		75.48	
IDFC Money Manager Fund - Investment Plan - Periodic Dividend 4,97,54,525 (2012 - Nil) Units of ₹ 10.00 each	50.00		–	
IDFC Super Saver Income Fund - Medium Term Plan B - Monthly Dividend Nil (2012 - 2,50,90,051) Units of ₹ 10.00 each	–		25.15	
JPMorgan India Fixed Maturity Plan Series 6 Dividend Plan 4,50,00,000 Units of ₹ 10.00 each	45.00		45.00	
Carried over	1711.31	1721.44	1630.79	1153.85

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1711.31	1721.44	1630.79	1153.85
Investment in Mutual Funds (Contd.)				
JPMorgan Fixed Maturity Plan - Series 7 - Dividend Plan Nil (2012 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
JPMorgan Fixed Maturity Plan - Series 8 - Dividend Plan Nil (2012 - 7,50,00,000) Units of ₹ 10.00 each	–		75.00	
JPMorgan India Fixed Maturity Plan Series 12 - Dividend 6,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	60.00		–	
JPMorgan India Fixed Maturity Plan Series 13 - Dividend 5,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	50.00		–	
JPMorgan India Liquid Fund Super Institutional Plan - Daily Dividend Reinvestment 94,90,992 (2012 - 71,49,223) Units of ₹ 10.00 each		9.51		7.15
JPMorgan India Short Term Income Fund - Regular Plan - Weekly Dividend Reinvestment 7,68,62,273 (2012 - Nil) Units of ₹ 10.00 each		77.02		–
JPMorgan India Treasury Fund - Super Institutional Growth 9,05,73,539 (2012 - 5,68,14,390) Units of ₹ 10.00 each	116.24		66.24	
JPMorgan India Treasury Fund Super Institutional Dividend Payout 5,00,77,879 (2012 - Nil) Units of ₹ 10.00 each	50.08		–	
Kotak Bond (Short Term) - Monthly Dividend 12,32,02,476 (2012 - 2,49,32,134) Units of ₹ 10.00 each		125.00	25.18	
Kotak Fixed Maturity Plan Series 62 - Growth Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Kotak Fixed Maturity Plan Series 70 - Growth Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
Kotak Fixed Maturity Plan Series 72 - Dividend Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
Kotak Fixed Maturity Plan Series 75 - Dividend Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
Kotak Fixed Maturity Plan Series 78 - Dividend Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Kotak Fixed Maturity Plan Series 79 - Growth Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
Kotak Fixed Maturity Plan Series 83 - Growth Nil (2012 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
Kotak Fixed Maturity Plan Series 94 - Growth 2,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	20.00		–	
Kotak Fixed Maturity Plan Series 96 Direct - Growth 10,00,000 (2012 - Nil) Units of ₹ 10.00 each		1.00		–
Kotak Fixed Maturity Plan Series 99 - Dividend 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
Kotak Flexi Debt Plan A - Quarterly Dividend 2,51,23,350 (2012 - Nil) Units of ₹ 10.00 each	25.14		–	
Kotak Flexi Debt Scheme Plan A - Growth 5,37,02,616 (2012 - Nil) Units of ₹ 10.00 each	75.00		–	
Kotak Floater Long Term - Growth 10,45,70,180 Units of ₹ 10.00 each	150.00		150.00	
Kotak Floater Short Term - Daily Dividend Reinvestment 6,551 (2012 - Nil) Units of ₹ 1000.00 each		0.66		–
Kotak Floater Short Term - Direct Plan - Growth 78,295 (2012 - Nil) Units of ₹ 1000.00 each		15.00		–
Kotak Quarterly Interval Plan Series 1 - Dividend Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Carried over	2282.77	1949.63	2142.21	1161.00

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	2282.77	1949.63	2142.21	1161.00
Investment in Mutual Funds (Contd.)				
Kotak Quarterly Interval Plan Series 2 - Dividend Nil (2012 - 99,99,722) Units of ₹ 10.00 each	–		10.00	
Reliance Fixed Horizon Fund - XIX - Series 4 - Dividend Payout Nil (2012 - 2,00,03,258) Units of ₹ 10.00 each	–		20.00	
Reliance Fixed Horizon Fund - XX - Series 13 - Growth Plan Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Reliance Fixed Horizon Fund - XX - Series 24 - Dividend Plan Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
Reliance Fixed Horizon Fund - XXI - Series 12 - Growth Plan Nil (2012 - 4,00,00,000) Units of ₹ 10.00 each	–		40.00	
Reliance Fixed Horizon Fund - XXI - Series 14 - Growth Plan Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
Reliance Fixed Horizon Fund - XXI - Series 16 - Growth Plan Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
Reliance Fixed Horizon Fund - XXI - Series 2 - Growth Plan Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
Reliance Fixed Horizon Fund - XXI - Series 4 - Growth Plan Nil (2012 - 3,50,00,000) Units of ₹ 10.00 each	–		35.00	
Reliance Fixed Horizon Fund - XXI - Series 5 - Dividend Plan Nil (2012 - 10,00,00,000) Units of ₹ 10.00 each	–		100.00	
Reliance Fixed Horizon Fund - XXI - Series 9 - Growth Plan Nil (2012 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
Reliance Fixed Horizon Fund - XXII - Series 10 - Dividend Plan Dividend Payout 1,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	10.00		–	
Reliance Fixed Horizon Fund - XXII - Series 14 - Dividend Plan Dividend Payout 1,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	10.00		–	
Reliance Fixed Horizon Fund - XXII - Series 21 - Dividend Plan Dividend Payout 2,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	20.00		–	
Reliance Fixed Horizon Fund - XXIII - Series 6 - Growth Plan 3,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	30.00		–	
Reliance Fixed Horizon Fund XXI - Series 13 - Growth Option Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Reliance Floating Rate Fund - Short Term Plan - Quarterly Dividend Plan Reinvestment 5,06,22,289 (2012 - Nil) Units of ₹ 10.00 each		51.32		–
Reliance Liquid Fund Treasury Plan - Growth Plan 55,572 (2012 - Nil) Units of ₹ 1000.00 each	15.49		–	
Reliance Liquid Fund - Treasury Plan - Daily Dividend Reinvestment Option 64,423 (2012 - Nil) Units of ₹ 1000.00 each		9.85		–
Reliance Liquid Fund Treasury Plan Daily Dividend Reinvestment 98,049 (2012 - 98,43,158) Units of ₹ 1000.00 each		9.86		15.05
Reliance Medium Term Fund - Quarterly Dividend Plan Dividend Reinvestment 4,80,38,202 (2012 - Nil) Units of ₹ 10.00 each		52.84		–
Reliance Money Manager Fund - Growth Plan Growth Option 2,18,184 Units of ₹ 1000.00 each		26.66		26.66
Reliance Quarterly Interval Fund - Series III - Institutional Dividend Plan Nil (2012 - 99,89,910) Units of ₹ 10.00 each	–		10.00	
Reliance Short Term Fund - Quarterly Dividend Plan Dividend Reinvestment 3,78,70,452 (2012 - 1,85,66,844) Units of ₹ 10.00 each		52.25	25.25	
Carried over	2368.26	2152.41	2542.46	1202.71

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	2368.26	2152.41	2542.46	1202.71
Investment in Mutual Funds (Contd.)				
Reliance Yearly Interval Fund - Series 2 - Growth Plan 5,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	50.00		–	
Reliance Yearly Interval Fund - Series 3 - Growth Plan 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
Religare Active Income Fund - Plan A Discretionary Dividend Nil (2012 - 8,00,00,000) Units of ₹ 10.00 each		–		80.00
Religare Fixed Maturity Plan - Series XII - Plan A - 370 Days - Dividend Plan Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Religare Fixed Maturity Plan - Series XIII - Plan A - 370 Days - Dividend Plan Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Religare Fixed Maturity Plan Series - XI - Plan E - 371 Days - Growth Plan Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Religare Fixed Maturity Plan Series IX Plan B - 371 Days - Growth Plan Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Religare Fixed Maturity Plan Series X Plan E - 371 Days - Growth Plan Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Religare Fixed Maturity Plan Series XI Plan A - 369 Days - Growth Plan Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Religare Liquid Fund - Super Institutional Daily Dividend Nil (2012 - 4,99,730) Units of ₹ 1000.00 each		–		50.01
SBI Debt Fund Series - 180 Days - 23 - Dividend Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
SBI Debt Fund Series - 366 Days 18 - Dividend 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
SBI Debt Fund Series - 366 Days 20 Dividend 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
SBI Debt Fund Series - 366 Days 22 - Growth 3,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	30.00		–	
SBI Debt Fund Series - 366 Days 7 - Dividend 4,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	45.00		–	
SBI Debt Fund Series - 367 Days - 13 - Growth Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
SBI Debt Fund Series - 367 Days - 17 - Dividend Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
SBI Debt Fund Series - 90 Days - 55 - Dividend Nil (2012 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
SBI Debt Fund Series - 90 Days - 56 - Dividend Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
SBI Debt Fund Series - 90 Days - 58 - Dividend Nil (2012 - 3,00,00,000) Units of ₹ 10.00 each	–		30.00	
SBI Debt Fund Series - 90 Days - 59 - Dividend Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
SBI Debt Fund Series - 90 Days - 60 - Dividend Nil (2012 - 4,50,00,000) Units of ₹ 10.00 each	–		45.00	
Sundaram Fixed Term Plan CC 366 Days Growth Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Sundaram Fixed Term Plan DC 15 Months Dividend Payout 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
Sundaram Money Fund Super Daily Dividend Reinvestment Nil (2012 - 1,43,83,992) Units of ₹ 10.00 each		–		14.52
TATA Fixed Income Portfolio Fund Scheme A - 2 Institutional Nil (2012 - 14,98,322) Units of ₹ 10.00 each		–		1.50
Carried over	2573.26	2152.41	2787.46	1348.74

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	2573.26	2152.41	2787.46	1348.74
Investment in Mutual Funds (Contd.)				
TATA Fixed Income Portfolio Fund Scheme C3 - Regular Half Yearly Dividend Nil (2012 - 97,58,002) Units of ₹ 10.00 each		–		10.00
TATA Fixed Maturity Plan Series 38 Scheme D - Growth Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
TATA Fixed Maturity Plan Series 38 Scheme I - Dividend Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
TATA Fixed Maturity Plan Series 42 Scheme A - Growth 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
UTI - Floating Rate Fund - Short Term Plan - Institutional Growth Option 2,48,309 Units of ₹ 1000.00 each		25.00		25.00
UTI - Floating Rate Fund - Short Term Plan - Regular Plan - Daily Dividend Reinvestment 18,68,048 (2012 - Nil) Units of ₹ 1000.00 each		201.17		–
UTI Fixed Term Income Fund - Series X - VI (368 Days) - Growth Plan Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
UTI Fixed Term Income Fund - Series X - VIII (368 Days) - Growth Plan Nil (2012 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
UTI Fixed Term Income Fund - Series X - X (367 Days) - Growth Plan Nil (2012 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
UTI Fixed Term Income Fund - Series X - VII (368 Days) - Growth Plan Nil (2012 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
UTI Fixed Term Income Fund - Series XI - III (368 Days) - Growth Plan Nil (2012 - 4,00,00,000) Units of ₹ 10.00 each	–		40.00	
UTI Fixed Term Income Fund - Series XI - IV (367 Days) Nil (2012 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
UTI Fixed Term Income Fund - Series XI - VII (366 Days) - Growth Plan Nil (2012 - 8,50,00,000) Units of ₹ 10.00 each	–		85.00	
UTI Fixed Term Income Fund Series XIII - I (368 Days) - Quarterly Dividend Payout 1,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	15.00		–	
UTI Fixed Term Income Fund Series XIII - III (549 Days) - Quarterly Dividend Payout 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
UTI Fixed Term Income Fund Series XIV - I (366 Days) - Growth Plan 5,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	50.00		–	
UTI Fixed Term Income Fund Series XIV - II (366 Days) - Growth Plan 3,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	30.00		–	
UTI Fixed Term Income Fund Series XIV - V (366 Days) - Growth 2,50,00,000 (2012 - Nil) Units of ₹ 10.00 each	25.00		–	
UTI Fixed Term Income Fund Series XIV - VII (367 Days) - Growth Plan 5,00,00,000 (2012 - Nil) Units of ₹ 10.00 each	50.00		–	
Aggregate amount of Quoted and Unquoted Investments	2783.26	2378.58	3047.46	1383.74
Total Current investments		5161.84		4431.20
Share of Joint Ventures - Note 28 (ii) (b)	0.19	5.08	4.60	6.01
		5.27		10.61
Grand Total		5167.11		4441.81

Aggregate market value of quoted investments ₹ 2909.49 Crores (2012 - ₹ 3126.96 Crores).

Aggregate excess of cost over fair value ₹ 179.44 Crores (2012 - ₹ 205.24 Crores).

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)	As at 31st March, 2012 (₹ in Crores)
14. Inventories		
(At lower of cost and net realisable value)		
Stocks and shares	651.85	542.07
Raw materials (including packing materials)	3640.28	3645.71
Work-in-progress	166.00	111.09
Finished goods (manufactured)	2443.01	1566.06
Stock-in-trade (goods purchased for resale)	231.58	213.41
Stores and Spares	286.24	252.73
Intermediates - Tissue paper and Paperboards	75.55	79.67
TOTAL	7494.51	6410.74
Share of Joint Ventures - Note 28 (ii) (b)	27.58	16.13
GRAND TOTAL	7522.09	6426.87

15. Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	1.35	1.53
Unsecured, considered good	32.12	40.73
Doubtful	55.63	49.73
	<u>89.10</u>	<u>91.99</u>
Less: Provision for doubtful receivables	55.63	49.73
	<u>33.47</u>	<u>42.26</u>
Others		
Secured, considered good	20.98	17.31
Unsecured, considered good	1339.78	1138.80
Doubtful	0.08	0.02
	<u>1360.84</u>	<u>1156.13</u>
Less: Provision for doubtful receivables	0.08	0.02
	<u>1360.76</u>	<u>1156.11</u>
TOTAL	1394.23	1198.37
Share of Joint Ventures - Note 28 (ii) (b)	1.53	1.83
GRAND TOTAL	1395.76	1200.20

Notes to the Consolidated Financial Statements

	As at 31st March, 2013 (₹ in Crores)		As at 31st March, 2012 (₹ in Crores)	
16. Cash and bank balances				
Cash and cash equivalents [®]				
Balances with Banks				
Current accounts	211.60		170.96	
Deposit accounts	89.74		214.13	
Cheques, drafts on hand	8.49		11.06	
Cash on hand	3.71	313.54	2.85	399.00
Other bank balances				
Earmarked balances	96.31		81.15	
In deposit accounts [*]	3417.56	3513.87	2647.44	2728.59
TOTAL		3827.41		3127.59
Share of Joint Ventures - Note 28 (ii) (b)		0.89		2.53
GRAND TOTAL		3828.30		3130.12

[®] Cash and cash equivalents include cash on hand, cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less.

^{*} Represents deposits with original maturity of more than 3 months and includes deposits with remaining maturity of more than 12 months from the balance sheet date ₹ 315.41 Crores (2012: ₹ 1.14 Crores).

17. Short-term loans and advances				
Unsecured, considered good unless otherwise stated				
Loans and advances to related parties				
Security deposits	0.44		0.37	
Loans and advances				
Secured, considered good	1.40		–	
Unsecured, considered good	0.02	1.86	4.80	5.17
Others				
With Statutory authorities		285.73		203.39
Commercial advances and deposits				
Secured, considered good	4.50		4.50	
Unsecured, considered good	171.69	176.19	198.08	202.58
MAT credit entitlement		–		0.35
Other loans and advances (Employees, unexpired expenses etc.)				
Secured, considered good	0.41		0.36	
Unsecured, considered good	64.83	65.24	70.38	70.74
TOTAL		529.02		482.23
Share of Joint Ventures - Note 28 (ii) (b)		0.59		1.94
GRAND TOTAL		529.61		484.17

18. Other current assets				
Interest accrued on loans, deposits etc.		64.96		17.17
Interest accrued on investments		20.04		9.80
Deposits with financial institutions		425.00		–
Others [*]				
Unsecured, considered good	112.83		108.90	
Doubtful	0.80		0.74	
	113.63		109.64	
Less: Provision for doubtful assets	0.80	112.83	0.74	108.90
TOTAL		622.83		135.87
Share of Joint Ventures - Note 28 (ii) (b)	
GRAND TOTAL		622.83		135.87

^{*} Others comprise receivables on account of export incentives, claims, interest, rentals etc.

Notes to the Consolidated Financial Statements

	For the year ended 31st March, 2013 (₹ in Crores)	For the year ended 31st March, 2012 (₹ in Crores)
19. Gross income		
Gross Revenue from sale of products and services	43903.34	36609.81
Other operating revenue	303.56	345.45
Other income	876.79	783.99
TOTAL	45083.69	37739.25
Share of Joint Ventures - Note 28 (ii) (b)	18.76	8.46
GRAND TOTAL	45102.45	37747.71
20. Revenue from operations		
Sale of products [Includes share of Joint Ventures ₹ 15.92 Crores (2012 - ₹ 6.11 Crores)]	41888.79	34829.80
Sale of services [Includes share of Joint Ventures ₹ 1.50 Crores (2012 - ₹ 1.53 Crores)]	2031.97	1787.65
Gross Revenue from sale of products and services	43920.76	36617.45
Other operating revenue [Includes share of Joint Ventures ₹ 0.53 Crore (2012 - ₹ 0.46 Crore)]	304.09	345.91
	44224.85	36963.36
Less: Excise duty attributable to products sold [Includes share of Joint Ventures ₹ 0.99 Crore (2012 - ₹ 0.65 Crore)]	12597.31	10437.93
TOTAL	31627.54	26525.43
21. Other income		
Interest income	342.60	321.85
Dividend income		
– Long-term investments	14.52	16.32
– Current investments	231.67	222.06
Gain on sale of long-term investments	121.62	137.25
Net gain on sale of current investments	146.14	76.04
Other non-operating income	20.24	10.47
TOTAL	876.79	783.99
Share of Joint Ventures - Note 28 (ii) (b)	0.81	0.36
GRAND TOTAL	877.60	784.35
Interest income comprises interest from:		
a) Deposits with Banks	237.02	193.04
b) Current investments	72.75	57.03
c) Others (from customers, statutory authorities etc.)	32.83	71.78

Notes to the Consolidated Financial Statements

	For the year ended 31st March, 2013 (₹ in Crores)			For the year ended 31st March, 2012 (₹ in Crores)		
22. Changes in inventories of finished goods, work-in-progress, Stock-in-Trade and Intermediates						
Finished goods (manufactured)						
Opening stock	1566.06			1428.03		
Closing stock	<u>2443.01</u>	(876.95)		<u>1566.06</u>	(138.03)	
Work-in-progress						
Opening stock	111.09			108.68		
Closing stock	<u>166.00</u>	(54.91)		<u>111.09</u>	(2.41)	
Intermediates - Tissue paper and Paperboards						
Opening stock	79.67			69.37		
Closing stock	<u>75.55</u>	4.12		<u>79.67</u>	(10.30)	
Stock-in-Trade (goods purchased for resale)						
Opening stock	213.41			173.65		
Closing stock	<u>231.58</u>	(18.17)	(945.91)	<u>213.41</u>	(39.76)	(190.50)
Excise duties on increase / (decrease) of finished goods			689.15			104.88
TOTAL			(256.76)			(85.62)
Share of Joint Ventures - Note 28 (ii) (b)			(0.08)			(0.12)
GRAND TOTAL			(256.84)			(85.74)
23. Employee benefits expense						
Salaries and wages			1831.81			1670.40
Contribution to Provident and other funds			171.84			142.35
Staff welfare expenses			159.53			138.47
			<u>2163.18</u>			<u>1951.22</u>
Less : Recoveries made/reimbursements received			20.37			18.83
TOTAL			2142.81			1932.39
Share of Joint Ventures - Note 28 (ii) (b)			2.82			2.72
GRAND TOTAL			2145.63			1935.11
24. Finance costs						
Interest expense			66.66			69.55
Applicable net loss on foreign currency transactions and translations			20.50			10.94
TOTAL			87.16			80.49
Share of Joint Ventures - Note 28 (ii) (b)			0.02			0.01
GRAND TOTAL			87.18			80.50

Notes to the Consolidated Financial Statements

	For the year ended 31st March, 2013 (₹ in Crores)	For the year ended 31st March, 2012 (₹ in Crores)
25. Other expenses		
Power and fuel	579.98	476.74
Consumption of stores and spare parts	227.25	241.03
Contract processing charges	609.57	533.51
Rent	253.11	228.28
Rates and taxes	432.37	321.12
Insurance	49.25	41.78
Repairs		
– Buildings	52.98	47.49
– Machinery	146.99	134.08
– Others	37.37	35.75
Maintenance and upkeep	139.51	114.60
Outward freight and handling charges	891.79	843.62
Warehousing charges	71.02	70.06
Advertising / Sales promotion	834.23	705.93
Market research	65.97	54.08
Design and product development	27.07	24.01
Hotel reservation / Marketing expenses	29.35	29.00
Retail accessories	185.38	238.36
Brokerage and discount - sales	9.21	9.40
Commission to selling agents	34.00	26.84
Doubtful and bad debts	9.66	14.36
Doubtful and bad advances, loans and deposits	0.35	2.61
Provision for standard assets	0.06	...
Impairment of Goodwill on consolidation	9.35	–
Bank and credit card charges	20.95	21.54
Information technology services	100.72	99.98
Travelling and conveyance	290.87	234.60
Training and development	27.60	24.63
Legal expenses	15.79	15.00
Consultancy / Professional fees	174.63	164.81
Postage, telephone etc.	35.29	30.74
Printing and stationery	16.21	14.81
Net loss / (gain) on foreign currency transactions and translations	(9.52)	43.05
Excess of carrying cost over fair value of current investments - Net	–	5.74
Excess of cost of current investments over fair value, reversed - Net	(25.80)	–
Loss on sale of fixed assets - Net	25.29	12.64
Loss on sale of stores and spare parts - Net	1.88	2.71
Miscellaneous expenses	804.62	861.44
TOTAL	6174.35	5724.34
Share of Joint Ventures - Note 28 (ii) (b)	15.01	12.01
GRAND TOTAL	6189.36	5736.35

Notes to the Consolidated Financial Statements

	For the year ended 31st March, 2013 (₹ in Crores)	For the year ended 31st March, 2012 (₹ in Crores)
26. Current tax		
Income tax for the year	3139.49	2796.34
Adjustments/(credits) related to previous years - Net	(54.44)	(21.35)
TOTAL	3085.05	2774.99
Share of Joint Ventures - Note 28(ii)(b)	3.00	2.58
GRAND TOTAL	3088.05	2777.57
27. Deferred tax		
Deferred tax for the year	282.52	54.82
Adjustments/(credits) related to previous years - Net	41.20	13.45
TOTAL	323.72	68.27
Share of Joint Ventures - Note 28(ii)(b)	0.30	(0.08)
GRAND TOTAL	324.02	68.19

28. Additional Notes to the Consolidated Financial Statements

(i) Earnings per share :

Earnings per share have been computed as under :

	2013	2012
(a) Profit for the year (₹ in Crores)	7608.07	6258.14
(b) Weighted average number of Ordinary shares outstanding	7,85,30,72,892	7,77,09,54,800
(c) Effect of potential Ordinary shares on Employee Stock Options outstanding	10,20,78,850	9,24,70,193
(d) Weighted average number of Ordinary shares in computing diluted earnings per share [(b) + (c)]	7,95,51,51,742	7,86,34,24,993
(e) Earnings per share on profit for the year (Face Value ₹ 1.00 per share)		
– Basic [(a)/(b)]	₹ 9.69	₹ 8.05
– Diluted [(a)/(d)]	₹ 9.56	₹ 7.96

(ii) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) - "Consolidated Financial Statements", Accounting Standard 23 (AS 23) - "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard 27 (AS 27) - "Financial Reporting of Interests in Joint Ventures" as notified by Companies (Accounting Standards) Rules, 2006.

(a) The subsidiaries (which along with ITC Limited, the parent, constitute the Group) considered in the preparation of these Consolidated Financial Statements are:

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2013	Percentage of ownership interest as at 31st March, 2012
Srinivasa Resorts Limited	India	68	68
Fortune Park Hotels Limited	India	100	100
Bay Islands Hotels Limited	India	100	100
Surya Nepal Private Limited	Nepal	59	59
Landbase India Limited	India	100	100
BFIL Finance Limited	India	100	100
MRR Trading & Investment Company Limited (a 100% subsidiary of BFIL Finance Limited)	India	100	100

Notes to the Consolidated Financial Statements

28. Additional Notes to the Consolidated Financial Statements (Contd.)

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2013	Percentage of ownership interest as at 31st March, 2012
Russell Credit Limited	India	100	100
Greenacre Holdings Limited (a 100% subsidiary of Russell Credit Limited)	India	100	100
Wimco Limited	India	98.21	98.18
Prag Agro Farm Limited (a 100% subsidiary of Wimco Limited)	India	98.21	98.18
Pavan Poplar Limited (a 100% subsidiary of Wimco Limited)	India	98.21	98.18
Technico Pty Limited	Australia	100	100
Technico Technologies Inc. (a 100% subsidiary of Technico Pty Limited)	Canada	100	100
Technico Agri Sciences Limited (a 100% subsidiary of Technico Pty Limited)	India	100	100
Technico Asia Holdings Pty Limited (a 100% subsidiary of Technico Pty Limited)	Australia	100	100
Technico Horticultural (Kunming) Co. Limited (a 100% subsidiary of Technico Asia Holdings Pty Limited)	China	100	100
ITC Infotech India Limited	India	100	100
ITC Infotech Limited (a 100% subsidiary of ITC Infotech India Limited)	UK	100	100
ITC Infotech (USA), Inc. (a 100% subsidiary of ITC Infotech India Limited)	USA	100	100
Pyxis Solutions, LLC (a 100% subsidiary of ITC Infotech (USA), Inc.)	USA	100	100
Wills Corporation Limited	India	100	100
Gold Flake Corporation Limited	India	100	100
King Maker Marketing, Inc.	USA	100	100
WelcomHotels Lanka (Private) Limited	Sri Lanka	100	–
ITC Investments & Holdings Limited	India	100	–

ITC Global Holdings Pte. Limited, Singapore (a wholly owned subsidiary of ITC Limited), in liquidation, has not been considered in the preparation of these Consolidated Financial Statements.

The financial statements of all subsidiaries, considered in the Consolidated Accounts, are drawn upto 31st March other than for Surya Nepal Private Limited where it is upto 13th March.

Notes to the Consolidated Financial Statements

28. Additional Notes to the Consolidated Financial Statements (Contd.)

(b) Interests in Joint Ventures:

The Group's interests in jointly controlled entities (incorporated Joint Ventures) are:

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2013	Percentage of ownership interest as at 31st March, 2012
Maharaja Heritage Resorts Limited	India	50	50
Espirit Hotels Private Limited	India	26	26
Logix Developers Private Limited	India	26	26
ITC Filtrona Limited (a joint venture of Gold Flake Corporation Limited)	India	50	50

The Group's interests in jointly controlled operations:

Technico Technologies Inc., Canada has entered into a farming arrangement with Shamrock Seed Potato Farm Limited for production and sale of Early Generation seed potatoes. The participating share of Technico Technologies Inc., Canada is 35% (2012 – 35%).

The financial statements of the Joint Ventures, considered in the Consolidated Accounts, are drawn upto 31st March other than for ITC Filtrona Limited where it is upto 31st December.

The Group's interest in these Joint Ventures is accounted for using proportionate consolidation.

(c) Investments in Associates:

The Group's Associates are:

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2013	Percentage of ownership interest as at 31st March, 2012
Gujarat Hotels Limited	India	45.78	45.78
International Travel House Limited	India	48.96	48.96
Russell Investments Limited	India	25.43	25.43
Divya Management Limited	India	33.33	33.33
Antrang Finance Limited	India	33.33	33.33
ATC Limited	India	47.50	47.50
Classic Infrastructure and Development Limited	India	42.35	42.35

The financial statements of all Associates, considered in the Consolidated Accounts, are drawn upto 31st March.

These investments have been accounted for using the equity method whereby the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets. During the year, the Group has received dividend aggregating ₹ 2.23 Crores (2012 - ₹ 2.01 Crores) in respect of the investments in associates.

(d) These Consolidated Financial Statements are based, in so far as they relate to amounts included in respect of subsidiaries, associates and joint ventures on the audited financial statements prepared for consolidation in accordance with the requirements of AS 21, AS 23 and AS 27 by each of the included entities.

Notes to the Consolidated Financial Statements

28. Additional Notes to the Consolidated Financial Statements (Contd.)

(iii) (a) Claims against the Group not acknowledged as debts, including share of Joint Ventures Nil (2012 - ₹ 1.56 Crores), are ₹ 545.66 Crores (2012 - ₹ 365.05 Crores). These comprise:

- Excise duty, Sales taxes and other Indirect taxes claims disputed by the Group relating to issues of applicability and classification aggregating ₹ 389.43 Crores (2012 - ₹ 212.41 Crores).
- Local Authority taxes/cess/royalty on property, utilities etc. claims disputed by the Group relating to issues of applicability and determination aggregating ₹ 50.55 Crores (2012 - ₹ 51.22 Crores).
- Third party claims arising from disputes relating to contracts aggregating ₹ 43.62 Crores (2012 - ₹ 42.04 Crores).
- Other matters, including share of Joint Ventures Nil (2012 - ₹ 1.56 Crores), aggregating ₹ 62.06 Crores (2012 - ₹ 59.38 Crores).
- In respect of Surya Nepal Private Limited (SNPL), Excise, Income tax and VAT authorities issued Show Cause Notices (SCNs) and raised demands to recover taxes for different years on theoretical production of cigarettes. The basis for all these SCNs and demands is an untenable contention by the Revenue Authorities that SNPL could have produced more cigarettes than it has actually produced in a given year, by applying an input-output ratio allegedly submitted by SNPL in the year 1990-91 and that SNPL is liable to pay taxes on such cigarettes that could have been theoretically produced and sold. This, despite the fact that SNPL's cigarette factory is under 'physical control' of the Revenue Authorities and cigarettes produced are duly accounted for and certified as such by the Revenue Authorities.

The above basis of theoretical production has been rejected by the Supreme Court of Nepal vide its orders dated 29th October, 2009 and 1st April, 2010. In the said order of the Supreme Court of Nepal dated 1st April, 2010, the Excise demands (for the financial years 1998-99 to 2002-03) and Income tax demands (for the financial year 2001-02) were set aside. Citing the aforesaid decisions of the Supreme Court of Nepal, the Inland Revenue Department has, on 11th February, 2011 decided the following administrative review petitions in favour of SNPL relating to theoretical production:

- (i) Value added tax – ₹ 4.72 Crores [Nepalese Rupee (NRs.) 7.55 Crores] for the financial year 2001-02.
- (ii) Income tax – ₹ 3.07 Crores (NRs. 4.91 Crores) for the financial year 2005-06.

SNPL's counsel appearing in the matter has opined that the verdict of the Supreme Court of Nepal dated 29th October, 2009, which was delivered by a Full Bench of the Supreme Court of Nepal, will add substantial strength to SNPL's case in all the other matters relating to the issue of theoretical production.

Following is the status of pending demands and Show Cause Notices received from the Revenue Authorities based on similar untenable contention:

(i) Excise Demands and Show Cause Notice

1. Excise demand letter dated 22nd February, 2008 for ₹ 9.34 Crores (NRs. 14.95 Crores) relating to the financial years 2003-04 to 2005-06. SNPL's writ petition challenging the demand, has been admitted by the Supreme Court of Nepal on 2nd April, 2008 and it has issued Show Cause Notices to the respondents.
2. Excise demand letter dated 30th November, 2008 for ₹ 8.03 Crores (NRs. 12.85 Crores) relating to the financial year 2006-07. SNPL's writ petition, challenging the demand, has been admitted by the Supreme Court of Nepal on 6th January, 2009 and it has issued Show Cause Notices to the respondents.
3. Show Cause Notice dated 19th January, 2010 seeking to demand ₹ 12.28 Crores (NRs. 19.65 Crores) by way of Excise Duty for the financial year 2007-08. SNPL's writ petition challenging the Notice was admitted by the Supreme Court of Nepal. On 7th March, 2010, Supreme Court of Nepal issued interim order directing Inland Revenue Department not to raise demand, pending final disposal of the writ petition.

Notes to the Consolidated Financial Statements

28. Additional Notes to the Consolidated Financial Statements (Contd.)

(ii) Value Added Tax (VAT) Demands

1. VAT demand letter dated 8th August, 2007 for ₹ 3.58 Crores (NRs. 5.72 Crores) relating to the financial year 2002-03. SNPL's writ petition, challenging the demand, has been admitted by the Supreme Court of Nepal on 12th September, 2007 and it has issued Show Cause Notices to the respondents.
2. VAT demand letter dated 5th August, 2008 for ₹ 0.67 Crore (NRs. 1.07 Crores) relating to the financial year 2003-04. SNPL's writ petition, challenging the demand, has been admitted by the Supreme Court of Nepal on 5th September, 2008 and it has issued Show Cause Notices to the respondents.
3. VAT demand letter dated 10th July, 2009 for ₹ 6.69 Crores (NRs. 10.70 Crores) relating to the financial years 2004-05 to 2006-07. SNPL's writ petition, challenging the demand, has been admitted by the Supreme Court of Nepal on 9th August, 2009 and it has issued Show Cause Notices to the respondents.

(iii) Income Tax Demands

1. Income tax demand letter dated 12th August, 2007 for ₹ 12.26 Crores (NRs. 19.61 Crores) relating to the financial year 2002-03. SNPL's writ petition, challenging the demand, has been admitted by the Supreme Court of Nepal on 12th September, 2007 and it has issued Show Cause Notices to the respondents.
2. Income tax demand letter dated 15th September, 2008 for the financial year 2003-04. Out of a total demand of ₹ 1.41 Crores (NRs. 2.26 Crores), the basis of demand for ₹ 1.19 Crores (NRs. 1.91 Crores) is on theoretical production. SNPL's writ petition, challenging the demand, has been admitted by the Supreme Court of Nepal on 8th December, 2008 and it has issued Show Cause Notices to the respondents.
3. Income tax demand letter dated 16th October, 2009 for the financial year 2004-05. Out of a total demand of ₹ 1.41 Crores (NRs. 2.26 Crores), the basis of demand for ₹ 1.35 Crores (NRs. 2.16 Crores) is on theoretical production. SNPL has filed an administrative review petition before the Director General, Inland Revenue Department on 18th December, 2009. However, the Director General without dealing with the issues raised by SNPL, summarily dismissed the petition by an order dated 2nd March, 2010. SNPL thereafter filed an appeal before the Revenue Tribunal, on 17th June, 2010 and the matter is pending.

SNPL considers that all the demands and show cause notice listed above have no legal or factual basis. Accordingly, SNPL is of the view that there is no liability that is likely to arise, particularly in the light of the decisions in its favour by the Hon'ble Supreme Court of Nepal and the Inland Revenue Department.

It is not practicable for the group to estimate the timings of cash flows, if any, in respect of the above.

(b) Uncalled liability on shares partly paid ₹ 1.25 Crores (2012 - ₹ 1.25 Crores).

(c) Commitments: Estimated amount of contracts remaining to be executed on capital accounts and not provided for, including share of joint venture ₹ 8.77 Crores (2012 - ₹ 6.27 Crores), are ₹ 1833.39 Crores (2012 - ₹ 2332.44 Crores).

(iv) The status on excise matters which is treated as an annexure to these accounts are as outlined in this year's Report of the Directors of ITC Limited (the Company) under the Excise section. In the opinion of the Directors, the Company does not accept any further liability.

(v) Research and Development expenses for the year amount to ₹ 109.29 Crores (2012 - ₹ 87.96 Crores).

Notes to the Consolidated Financial Statements

28. Additional Notes to the Consolidated Financial Statements (Contd.)

- (vi) The Group's significant leasing arrangements are in respect of operating leases for premises (residential, office, stores, godowns etc.). These leasing arrangements which are not non-cancellable range between 11 months and 9 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as 'Rent' under Note 25.

With regard to certain other non-cancellable operating leases for premises, the future minimum rentals are as follows :

	As at 31st March, 2013 (₹ in Crores)	As at 31st March, 2012 (₹ in Crores)
Not later than one year	16.42	15.28
Later than one year and not later than five years	16.54	20.25
Later than five years	1.54	2.00

- (vii) The Group has adopted Accounting Standard 15 (AS 15) on 'Employee Benefits'. These Consolidated Financial Statements include the obligations as per requirement of this standard except for those subsidiaries which are incorporated outside India who have determined the valuation / provision for employee benefits as per requirements of their respective countries. In the opinion of the management, the impact of this deviation is not considered material.

Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2013 and recognised in the financial statements in respect of Employee Benefit Schemes:

I	Components of Employer Expense	For the year ended 31st March, 2013 (₹ in Crores)			For the year ended 31st March, 2012 (₹ in Crores)		
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
		Funded		Unfunded	Funded		Unfunded
1	Current Service Cost	41.12	22.23	6.17	41.30	20.22	5.27
2	Interest Cost	42.94	17.49	5.75	40.60	16.11	5.50
3	Expected Return on Plan Assets	(46.06)	(19.09)	-	(42.29)	(18.81)	-
4	Curtailment Cost/(Credit)	-	-	-	-	-	-
5	Settlement Cost/(Credit)	-	-	-	-	-	-
6	Past Service Cost	-	-	-	-	-	-
7	Actuarial Losses/(Gains)	18.00	7.91	7.32	(7.91)	9.78	0.15
8	Total expense recognised in the Statement of Profit and Loss	56.00	28.54	19.24	31.70	27.30	10.92

The Pension and Gratuity Expenses have been recognised in "Contribution to Provident and other funds" and Leave Encashment in "Salaries and wages" under Note 23.

Notes to the Consolidated Financial Statements

28. Additional Notes to the Consolidated Financial Statements (Contd.)

		For the year ended 31st March, 2013 (₹ in Crores)			For the year ended 31st March, 2012 (₹ in Crores)		
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
II	Actual Returns	61.31	23.41	–	36.76	17.65	–
III	Net Asset/ (Liability) recognised in Balance Sheet						
	1 Present Value of Defined Benefit Obligation	638.09	258.32	82.10	552.53	229.80	70.06
	2 Fair Value of Plan Assets	618.55	242.07	–	533.14	233.63	–
	3 Status [Surplus/(Deficit)]	(19.54)	(16.25)	(82.10)	(19.39)	3.83	(70.06)
	4 Unrecognised Past Service Cost	–	–	–	–	–	–
	5 Net Asset/(Liability) recognised in Balance Sheet	(19.54)	(16.25)	(82.10)	(19.39)	3.83	(70.06)
	– Current	(17.57)	(16.25)	(11.11)	(18.65)	3.83	(6.97)
	– Non-Current	(1.97)	–	(70.99)	(0.74)	–	(63.09)
IV	Change in Defined Benefit Obligations (DBO)						
	1 Present Value of DBO at the beginning of the year	552.53	229.80	70.06	499.99	201.29	65.48
	2 Current Service Cost	41.12	22.23	6.17	41.30	20.22	5.27
	3 Interest Cost	42.94	17.49	5.75	40.60	16.11	5.50
	4 Curtailment Cost/(Credit)	–	–	–	–	–	–
	5 Settlement Cost/(Credit)	–	–	–	–	–	–
	6 Past Service Cost	–	–	–	–	–	–
	7 Plan Amendments	–	–	–	–	–	–
	8 Acquisitions	–	–	–	–	–	–
	9 Actuarial (Gains)/Losses	33.25	12.23	7.32	(13.44)	8.62	0.15
	10 Benefits Paid	(31.75)	(23.43)	(7.20)	(15.92)	(16.44)	(6.34)
	11 Present Value of DBO at the end of the year	638.09	258.32	82.10	552.53	229.80	70.06
V	Change in Fair Value of Assets						
	1 Plan Assets at beginning of the year	533.14	233.63	–	492.05	222.71	–
	2 Acquisition Adjustment	–	–	–	–	–	–
	3 Expected Return on Plan Assets	46.06	19.09	–	42.29	18.81	–
	4 Actuarial Gains/(Losses)	15.25	4.32	–	(5.53)	(1.16)	–
	5 Actual Company Contributions	55.85	8.46	1.59	20.25	9.71	–
	6 Benefits Paid	(31.75)	(23.43)	(1.59)	(15.92)	(16.44)	–
	7 Plan Assets at the end of the year	618.55	242.07	–	533.14	233.63	–
VI	Actuarial Assumptions						
	1 Discount Rate (%)	8.00	8.00	8.00	8.25	8.00 - 8.25	8.00 - 8.25
	2 Expected Return on Plan Assets (%)	8.00	8.00 - 9.15	–	8.25	7.25 - 9.15	–

The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Notes to the Consolidated Financial Statements

28. Additional Notes to the Consolidated Financial Statements (Contd.)

VII	Major Category of Plan Assets as a % of the Total Plan Assets	As at 31st March, 2013	As at 31st March, 2012
1	Government Securities/Special Deposit with RBI	28.83%	27.69%
2	High Quality Corporate Bonds	25.35%	24.60%
3	Insurance Companies*	35.86%	39.84%
4	Mutual Funds	1.98%	1.63%
5	Cash and Cash Equivalents	5.10%	2.39%
6	Term Deposits	2.58%	3.51%
7	Equity	0.30%	0.34%

* In the absence of detailed information regarding plan assets funded with Insurance Companies, the composition of each major category of plan assets and the percentage or amount for each category to the fair value of plan assets has not been disclosed.

VIII Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

IX	Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)	For the year ended 31st March, 2013 (₹ in Crores)			For the year ended 31st March, 2012 (₹ in Crores)			For the year ended 31st March, 2011 (₹ in Crores)			For the year ended 31st March, 2010 (₹ in Crores)			For the year ended 31st March, 2009 (₹ in Crores)		
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
1	Present Value of Defined Benefit Obligation	638.09	258.32	82.10	552.53	229.80	70.06	499.99	201.29	65.48	442.61	180.39	55.12	385.36	162.26	53.70
2	Fair Value of Plan Assets	618.55	242.07	-	533.14	233.63	-	492.05	222.71	-	412.49	203.78	-	386.04	189.82	-
3	Status [Surplus/(Deficit)]	(19.54)	(16.25)	(82.10)	(19.39)	3.83	(70.06)	(7.94)	21.42	(65.48)	(30.12)	23.39	(55.12)	0.68	27.56	(53.70)
4	Experience Adjustment of Plan Assets [Gain/(Loss)]	13.24	3.35	-	(4.25)	(0.61)	-	4.08	2.27	-	7.50	1.28	-	1.60	3.93	-
5	Experience Adjustment of Obligation [(Gain)/Loss]	(29.41)	2.52	3.27	(18.01)	6.96	0.40	42.69	21.00	9.68	(13.79)	1.82	3.57	(16.25)	(0.05)	3.40

Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and other funds" in Note 23.

Notes to the Consolidated Financial Statements

28. Additional Notes to the Consolidated Financial Statements (Contd.)

(viii) Derivative Instruments:

The Group uses forward exchange contracts and currency options to hedge its exposures in foreign currency related to firm commitments and highly probable forecasted transactions. The information on derivative instruments is as follows:

a) Forward exchange contracts outstanding as at year end:

(in Million)

Currency	Cross Currency	As at 31st March, 2013		As at 31st March, 2012	
		Buy	Sell	Buy	Sell
US Dollar	Indian Rupee	135.97	175.93	148.07	197.50
EURO	US Dollar	75.54	7.91	60.08	5.09
CHF	US Dollar	2.24	–	1.58	–
GBP	US Dollar	–	0.82	1.00	1.15
SEK	US Dollar	4.00	–	3.93	–
JPY	US Dollar	215.65	–	770.54	–
EURO	Indian Rupee	0.02	–	–	–
AUD	US Dollar	–	0.50	–	1.00
DKK	US Dollar	12.00	–	9.60	–
NOK	US Dollar	1.50	–	–	–

b) Currency option contracts outstanding as at year end :

(in Million)

Currency	Cross Currency	As at 31st March, 2013		As at 31st March, 2012	
		Buy	Sell	Buy	Sell
US Dollar	Indian Rupee	–	16.00	–	–
JPY	US Dollar	280.00	–	–	–

c) Foreign exchange currency exposures that have not been hedged by a derivative instrument or otherwise as at year end :

(in Million)

Currency	Cross Currency	As at 31st March, 2013			As at 31st March, 2012		
		Buy	Sell	Net*	Buy	Sell	Net*
US Dollar	Indian Rupee	41.84	37.62	4.22	21.11	21.29	(0.18)
EURO	US Dollar	5.07	2.88	2.19	4.28	5.39	(1.11)
GBP	US Dollar	2.22	2.22	–	2.06	2.09	(0.03)
SEK	US Dollar	1.21	–	1.21	0.44	–	0.44
CHF	US Dollar	–	–	–	0.05	0.02	0.03
SGD	US Dollar	0.01	–	0.01	0.10	–	0.10
CAD	US Dollar	0.08	0.19	(0.11)	0.46	0.28	0.18
AUD	Indian Rupee	–	0.16	(0.16)	–	0.25	(0.25)
AUD	US Dollar	0.97	0.55	0.42	0.53	0.41	0.12
DKK	US Dollar	17.84	–	17.84	14.79	–	14.79
HKD	US Dollar	0.68	–	0.68	0.05	–	0.05
LKR	US Dollar	0.05	–	0.05	–	–	–
ZAR	US Dollar	4.54	3.73	0.81	0.23	1.42	(1.19)
NOK	US Dollar	4.56	0.79	3.77	3.35	–	3.35

* Figures in brackets indicate open exports. Figures without brackets indicate open imports.

Notes to the Consolidated Financial Statements

28. Additional Notes to the Consolidated Financial Statements (Contd.)

(ix) Statement of information regarding Subsidiary Companies :

(₹ in Crores)

Name of the Subsidiary Company	Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investments (excluding Investments made in subsidiaries)	Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend
Russell Credit Limited	646.48	229.50	878.52	878.52	151.47	69.66	67.53	(8.57)	58.96	–
Greenacre Holdings Limited	42.06	12.59	58.65	58.65	13.69	2.99	1.06	(0.20)	0.86	–
Wimco Limited	68.85	43.31	222.60	222.60	–	178.11	1.90	–	1.90	–
Pavan Poplar Limited	5.51	1.55	7.35	7.35	–	0.68	0.07	(...)	0.07	–
Prag Agro Farm Limited	3.80	(7.36)	4.77	4.77	–	0.76	0.07	(...)	0.07	–
Srinivasa Resorts Limited	24.00	75.54	117.25	117.25	41.62	50.62	5.54	(1.10)	4.44	2.40
Fortune Park Hotels Limited	0.45	21.50	31.64	31.64	18.00	23.22	8.52	(2.55)	5.97	0.56
Bay Islands Hotels Limited	0.12	11.68	11.95	11.95	–	1.52	1.46	(0.49)	0.97	0.08
ITC Infotech India Limited	85.20	153.80	353.84	353.84	–	706.65	90.52	(21.79)	68.73	–
ITC Infotech Limited *	5.64	54.85	83.88	83.88	–	205.85	20.45	(5.16)	15.29	16.92@
ITC Infotech (USA), Inc. \$	98.80	(4.54)	152.67	152.67	–	306.83	4.39	(0.57)	3.82	–
Pyxis Solutions, LLC §	–	11.29	15.23	15.23	–	38.22	1.15	–	1.15	–
Wills Corporation Limited	4.89	4.05	9.17	9.17	–	0.90	0.74	(0.23)	0.51	–
Gold Flake Corporation Limited	16.00	14.82	30.88	30.88	6.01	4.18	4.06	(0.66)	3.40	–
Landbase India Limited	229.00	(87.40)	184.79	184.79	...	11.82	(3.81)	–	(3.81)	–
BFIL Finance Limited	20.00	(59.39)	9.25	9.25	–	0.65	0.52	–	0.52	–
MRR Trading & Investment Company Limited	0.05	(0.04)	0.01	0.01	–	–	–	–	–	–
Surya Nepal Private Limited #	126.00	230.28	592.76	592.76	6.87	1044.16	333.05	(101.54)	231.51	175.14@
King Maker Marketing, Inc. §	0.02	33.81	41.47	41.47	–	152.84	10.32	(3.78)	6.54	5.43@
Technico Pty Limited ~	249.09	(165.94)	88.35	88.35	–	9.13	0.81	–	0.81	–
Technico Technologies Inc. ^	6.82	(5.89)	2.07	2.07	–	1.51	0.09	–	0.09	–
Technico Horticultural (Kunming) Co. Limited **	16.45	(4.67)	12.18	12.18	–	4.92	0.54	–	0.54	–
Technico Agri Sciences Limited	37.96	25.73	93.05	93.05	31.08	67.02	13.68	3.80	17.48	–
Technico Asia Holdings Pty Limited ~	20.86	(15.37)	5.49	5.49	–	–	–	–	–	–
WelcomHotels Lanka (Private) Limited ***	16.19	(1.19)	418.83	418.83	–	0.03	(1.19)	–	(1.19)	–
ITC Investments & Holdings Limited	4.50	0.16	4.67	4.67	4.66	0.23	0.16	–	0.16	–

* Converted into Indian Rupees at the exchange rate, 1GBP = ₹ 82.2275 as on 28.03.2013 <

\$ Converted into Indian Rupees at the exchange rate, 1USD = ₹ 54.2850 as on 28.03.2013 <

Converted into Indian Rupees at the exchange rate, 1NR = ₹ 0.6250 as on 13.03.2013

~ Converted into Indian Rupees at the exchange rate, 1AUD = ₹ 56.6250 as on 28.03.2013 <

^ Converted into Indian Rupees at the exchange rate, 1CAD = ₹ 53.4375 as on 28.03.2013 <

** Converted into Indian Rupees at the exchange rate, 1RMB = ₹ 8.6500 as on 28.03.2013 <

*** Converted into Indian Rupees at the exchange rate, 1LKR = ₹ 0.4300 as on 28.03.2013 <

< Being the last working day of the financial year

@ Dividend paid during the year

Notes :

- The aforesaid data has been extracted from the financial statements of the subsidiaries which have been drawn upto 31st March, 2013 other than Surya Nepal Private Limited where it is upto 13th March, 2013.
- Pyxis Solutions, LLC is a New York Limited Liability Company and does not have any share capital. ITC Infotech (USA), Inc., holds 100% membership interest of Pyxis Solutions, LLC.
- The Subsidiary not considered in the preparation of the above statement is ITC Global Holdings Pte. Limited, Singapore, (ITC Global) a wholly owned subsidiary of ITC Limited, which is under liquidation vide Singapore High Court's Order dated 30th November, 2007. Prior to this, ITC Global was under Judicial Management in terms of an Interim Order passed by the Singapore High Court on 8th November, 1996, and confirmed by the Singapore High Court on 6th December, 1996.
- Turnover includes Other income and Other operating revenue.

(x) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Notes to the Consolidated Financial Statements

29. Segment Reporting

PRIMARY SEGMENT INFORMATION (BUSINESS SEGMENTS)

(₹ in Crores)

	2013			2012		
	External Sales	Inter Segment Sales	Total	External Sales	Inter Segment Sales	Total
1. Segment Revenue						
FMCG – Cigarettes	27136.12	–	27136.12	23232.32	–	23232.32
FMCG – Others	7028.18	9.53	7037.71	5555.95	7.77	5563.72
FMCG – Total	34164.30	9.53	34173.83	28788.27	7.77	28796.04
Hotels	1125.86	13.03	1138.89	1062.94	11.84	1074.78
Agri Business	4922.49	2278.24	7200.73	3412.46	2282.85	5695.31
Paperboards, Paper and Packaging	2665.89	1838.48	4504.37	2525.32	1604.47	4129.79
Others	1042.22	203.74	1245.96	828.46	192.41	1020.87
Segment Total	43920.76	4343.02	48263.78	36617.45	4099.34	40716.79
Eliminations			(4343.02)			(4099.34)
Gross Revenue from sale of products and services			43920.76			36617.45
2. Segment Results						
FMCG – Cigarettes			8694.42			7191.24
FMCG – Others			(88.90)			(215.08)
FMCG – Total			8605.52			6976.16
Hotels			149.29			294.29
Agri Business			731.28			643.15
Paperboards, Paper and Packaging			963.95			936.78
Others			136.32			93.64
Segment Total			10586.36			8944.02
Eliminations			(137.41)			(178.44)
Consolidated Total			10448.95			8765.58
Unallocated corporate expenses net of unallocated income			113.48			290.80
Profit before Interest etc. and taxation			10335.47			8474.78
Finance costs			87.18			80.50
Interest earned on loans and deposits, income from current and long term investments, profit and loss on sale of investments etc. - Net			857.36			773.87
Profit before tax			11105.65			9168.15
Tax expense			3412.07			2845.76
Profit after tax before share of results of associates and minority interests			7693.58			6322.39
Share of net profit of associates			10.87			11.28
Profit after tax before Minority Interests			7704.45			6333.67
3. Other Information						
	Segment Assets	Segment Liabilities*		Segment Assets	Segment Liabilities*	
FMCG - Cigarettes	7240.69	1958.81		5885.55	1981.66	
FMCG - Others	3277.88	727.64		2653.95	634.70	
FMCG - Total	10518.57	2686.45		8539.50	2616.36	
Hotels	4309.68	297.38		3633.65	248.16	
Agri Business	1906.16	506.80		2211.71	393.33	
Paperboards, Paper and Packaging	5462.31	509.18		4830.17	478.01	
Others	821.01	240.07		783.86	235.38	
Segment Total	23017.73	4239.88		19998.89	3971.24	
Unallocated Corporate Assets/Liabilities	12839.92	8279.98		10528.76	6940.74	
Total	35857.65	12519.86		30527.65	10911.98	
	Capital Expenditure	Depreciation	Non Cash expenditure other than depreciation	Capital Expenditure	Depreciation	Non Cash expenditure other than depreciation
FMCG - Cigarettes	574.69	258.84	6.56	655.80	222.27	0.99
FMCG - Others	366.40	128.99	10.94	276.50	107.28	25.29
FMCG - Total	941.09	387.83	17.50	932.30	329.55	26.28
Hotels	818.85	105.58	4.39	764.67	85.53	7.53
Agri Business	90.45	33.44	1.28	159.26	21.57	1.41
Paperboards, Paper and Packaging	690.31	260.20	9.58	593.77	237.38	3.17
Others	82.91	31.49	2.13	84.14	23.38	5.54
Segment Total	2623.61	818.54	34.88	2534.14	697.41	43.93

* Segment Liabilities of FMCG – Cigarettes is before considering ₹ 840.55 Crores (2012 – ₹ 763.31 Crores) in respect of disputed taxes, the recovery of which has been stayed or where States' appeals are pending before Courts. These have been included under 'Unallocated Corporate Liabilities'.

Notes to the Consolidated Financial Statements

29. Segment Reporting (Contd.)

SECONDARY SEGMENT INFORMATION (GEOGRAPHICAL SEGMENTS)

(₹ in Crores)

	2013	2012
1. Segment Revenue		
– Within India	38559.42	32743.13
– Outside India	5361.34	3874.32
Total	43920.76	36617.45
2. Segment Assets		
– Within India	22042.15	19428.77
– Outside India	975.58	570.12
Total	23017.73	19998.89
3. Capital Expenditure		
– Within India	2175.55	2460.14
– Outside India	448.06	74.00
Total	2623.61	2534.14

NOTES :

- (1) ITC Group's corporate strategy aims at creating multiple drivers of growth anchored on its core competencies. The Group is currently focused on four business groups : FMCG, Hotels, Paperboards, Paper and Packaging and Agri Business. The Group's organisational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.
- (2) The business groups comprise the following :
- | | |
|----------------------------------|---|
| FMCG : Cigarettes | – Cigarettes, Cigars and Smoking Mixtures. |
| : Others | – Branded Packaged Foods Businesses (Bakery and Confectionery Foods; Snack Foods; Staples, Spices and Ready to Eat Foods); Apparel; Education and Stationery Products; Personal Care Products; Safety Matches and Agarbattis. |
| Hotels | – Hoteliering. |
| Paperboards, Paper and Packaging | – Paperboards, Paper including Specialty Paper and Packaging including Flexibles. |
| Agri Business | – Agri commodities such as soya, spices, coffee and leaf tobacco. |
| Others | – Information Technology services, Filter Rods, etc. |
- (3) The Group companies and joint ventures have been included in segment classification as follows :
- | | |
|-------------------|---|
| FMCG : Cigarettes | – Surya Nepal Private Limited and King Maker Marketing, Inc. |
| : Others | – Surya Nepal Private Limited, Wimco Limited. |
| Hotels | – Srinivasa Resorts Limited, Fortune Park Hotels Limited, Bay Islands Hotels Limited, WelcomHotels Lanka (Private) Limited and joint ventures Maharaja Heritage Resorts Limited, Espirit Hotels Private Limited and Logix Developers Private Limited. |
| Others | – ITC Infotech India Limited and its subsidiaries ITC Infotech Limited, ITC Infotech (USA), Inc. and Pyxis Solutions, LLC, Russell Credit Limited and its subsidiary Greenacre Holdings Limited, Wimco Limited and its subsidiaries Pavan Poplar Limited and Prag Agro Farm Limited, Technico Pty Limited and its subsidiaries Technico Technologies Inc., along with its jointly controlled operation with Shamrock Seed Potato Farm Limited, Technico Agri Sciences Limited, Technico Asia Holdings Pty Limited and Technico Horticultural (Kunming) Co. Limited, BFIL Finance Limited and its subsidiary MRR Trading & Investment Company Limited, ITC Investments & Holdings Limited, Landbase India Limited, Wills Corporation Limited, Gold Flake Corporation Limited and its joint venture ITC Filtrona Limited. |
- (4) The geographical segments considered for disclosure are :
- Sales within India
 - Sales outside India
- (5) Segment results of 'FMCG : Others' are after considering significant business development, brand building and gestation costs of the Branded Packaged Foods businesses and Personal Care Products business.
- (6) The Group's Agri Business markets agri commodities in the export and domestic markets; supplies agri raw materials to the Branded Packaged Foods businesses and sources leaf tobacco for the Cigarettes business. The segment results for the year are after absorbing costs relating to the strategic e-Choupal initiative.

Notes to the Consolidated Financial Statements

30. Related Party Disclosures

1. ENTERPRISES WHERE CONTROL EXISTS:

Entities, other than subsidiaries, under the control of the Group:

- a) ITC Sangeet Research Academy
- b) ITC Education Trust
- c) ITC Rural Development Trust

2. OTHER RELATED PARTIES WITH WHOM THE COMPANY AND ITS SUBSIDIARIES HAD TRANSACTIONS:

i) Associates & Joint Ventures:

Associates

- a) Gujarat Hotels Limited
- b) Russell Investments Limited
- c) ATC Limited
- d) Classic Infrastructure & Development Limited
- e) International Travel House Limited
- f) Divya Management Limited
- g) Antrang Finance Limited
– being associates of the Group
- h) Tobacco Manufacturers (India) Limited, UK
– of which the Company is an associate

Joint Ventures

- a) Maharaja Heritage Resorts Limited
- b) ITC Filtrona Limited
- c) Espirit Hotels Private Limited
- d) Logix Developers Private Limited

ii) a) Key Management Personnel (KMP):

Y. C. Deveshwar	Executive Chairman
N. Anand	Executive Director
P. V. Dhobale	Executive Director
K. N. Grant	Executive Director
A. Baijal	Non-Executive Director
S. Banerjee	Non-Executive Director
S. H. Khan	Non-Executive Director
A. V. Girija Kumar	Non-Executive Director
S. B. Mathur	Non-Executive Director
D. K. Mehrotra	Non-Executive Director
H. G. Powell	Non-Executive Director
P. B. Ramanujam	Non-Executive Director
S. S. H. Rehman (w.e.f. 27.07.2012)	Non-Executive Director
A. Ruys	Non-Executive Director
B. Sen	Non-Executive Director
M. Shankar (w.e.f. 06.09.2012)	Non-Executive Director
K. Vaidyanath	Non-Executive Director
B. Vijayaraghavan	Non-Executive Director

Members - Corporate Management Committee

B. B. Chatterjee

A. Nayak

T. V. Ramaswamy

S. Sivakumar

K. S. Suresh

R. Tandon

b) Relatives of Key Management Personnel:

Mrs. B. Deveshwar (wife of Mr. Y. C. Deveshwar)

Mrs. S. Chatterjee (wife of Mr. B. B. Chatterjee)

iii) Employee Trusts where there is significant influence:

- a) IATC Provident Fund
- b) IATC Staff X Provident Fund
- c) ITC Defined Contribution Pension Fund
- d) ITC Management Staff Gratuity Fund
- e) ITC Employees Gratuity Fund
- f) ITC Gratuity Fund 'C'
- g) ITC Pension Fund
- h) ILTD Seasonal Employees Pension Fund
- i) ITC Platinum Jubilee Pension Fund
- j) Tribeni Tissues Limited Provident Fund
- k) Tribeni Tissues Limited Gratuity Fund
- l) ITC Bhadrachalam Paperboards Limited Management Staff Pension Fund
- m) ITC Bhadrachalam Paperboards Limited Gratuity Fund 'A'
- n) ITC Bhadrachalam Paperboards Limited Gratuity Fund 'C'
- o) ITC Bhadrachalam Paperboards Limited Staff Provident Fund
- p) ITC Hotels Limited Employees Superannuation Scheme
- q) ITC Hotels Limited Employees Gratuity Fund
- r) Greenacre Holdings Limited Provident Fund
- s) Greenacre Holdings Limited Gratuity Fund

Notes to the Consolidated Financial Statements

30. Related Party Disclosures (Contd.)

3. DISCLOSURE OF TRANSACTIONS BETWEEN THE GROUP AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON 31.03.2013

(₹ in Crores)

RELATED PARTY TRANSACTIONS SUMMARY	Enterprise where control exists		Associates		Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Employee Trusts		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
1. Sale of Goods/Services	0.01	0.02	2.39	1.68	7.68	6.59							10.08	8.29
2. Purchase of Goods/Services			112.29	94.77	226.91	174.38							339.20	269.15
3. Sale of Fixed Assets/Scraps			0.44	0.12									0.44	0.12
4. Acquisition of Investments					-	1.04							-	1.04
5. Interest Income			0.87	-			0.07	0.03					0.94	0.03
6. Remuneration to Key Management Personnel														
- Directors *							16.60	16.37					16.60	16.37
- Others							6.86	6.15					6.86	6.15
7. Rent Paid							0.04	0.03	0.63	0.57			0.67	0.60
8. Remuneration of Managers on Deputation Reimbursed			0.25	0.23									0.25	0.23
9. Remuneration of Managers on Deputation Recovered			3.48	3.48	1.08	1.45							4.56	4.93
10. Donation	1.70	1.50											1.70	1.50
11. Sponsorship	-	0.30											-	0.30
12. Contributions to Employees' Benefit Plans											91.13	65.24	91.13	65.24
13. Dividend Income			2.23	2.01	2.02	2.02							4.25	4.03
14. Dividend Payments			893.50	883.58			3.75	5.21					897.25	888.79
15. Expenses Recovered	...		1.33	1.83	0.36	0.28							1.69	2.11
16. Expenses Reimbursed	0.06	0.08	4.70	0.70	0.30	0.20							5.06	0.98
17. Loans Given			7.00	-									7.00	-
18. Receipt towards Loan Repayment							0.17	0.03					0.17	0.03
19. Adjustment/Receipt towards Refund of Advances			-	0.30									-	0.30
20. Deposits Received during the year			0.02	0.01									0.02	0.01
21. Deposits Given during the year							-	0.01	0.03	-			0.03	0.01
22. Balances as on 31st March														
i) Receivables			1.21	1.63	3.92	5.29							5.13	6.92
ii) Advances Given												4.77	-	4.77
iii) Loans Given			7.00	-			0.27	0.44					7.27	0.44
iv) Deposits Given			0.10	0.10			0.04	0.04	0.32	0.29			0.46	0.43
v) Deposits Taken			0.66	0.64									0.66	0.64
vi) Payables			8.87	6.94	2.07	2.82					35.24	13.38	46.18	23.14
23. In addition, Remuneration of Managers on Deputation, absorbed	0.17	0.15											0.17	0.15

*includes ₹ 0.06 Crore (2012 - Nil) attributable to remuneration of a Director which is subject to approval by the Company in General Meeting.

Notes to the Consolidated Financial Statements

30. Related Party Disclosures (contd.)

4. INFORMATION REGARDING SIGNIFICANT TRANSACTIONS / BALANCES

RELATED PARTY TRANSACTIONS SUMMARY		2013	2012	RELATED PARTY TRANSACTIONS SUMMARY		2013	2012
1. Sale of Goods/Services				11. Sponsorship			
International Travel House Limited	2.33	1.59		ITC Sangeet Research Academy	—	0.30	
ITC Filtrona Limited	7.66	6.52		12. Contributions to Employees' Benefit Plans			
				IATC Provident Fund	18.66	31.03	
2. Purchase of Goods/Services				ITC Pension Fund	50.67	18.61	
International Travel House Limited	87.59	70.73		ITC Defined Contribution Pension Fund	9.65	7.77	
ITC Filtrona Limited	226.72	174.18		13. Dividend Income			
				Gujarat Hotels Limited	0.57	0.52	
3. Sale of Fixed Assets/Scraps				International Travel House Limited	1.66	1.49	
ATC Limited	0.44	0.12		ITC Filtrona Limited	2.02	2.02	
4. Acquisition of Investments				14. Dividend Payments			
Espirit Hotels Private Limited	—	1.04		Tobacco Manufacturers (India) Limited, UK	893.50	883.58	
5. Interest Income				15. Expenses Recovered			
Mr. Y. C. Deveshwar	0.01	0.01		Gujarat Hotels Limited	0.72	0.93	
Mr. N. Anand	0.01	0.01		International Travel House Limited	0.59	0.90	
Mr. B. B. Chatterjee	0.05	0.01		Maharaja Heritage Resorts Limited	0.32	0.27	
ATC Limited	0.87	—		16. Expenses Reimbursed			
6. Remuneration to Key Management Personnel- Directors & Others				Gujarat Hotels Limited	0.63	0.46	
Mr. Y. C. Deveshwar	9.93	9.85		ATC Limited	0.29	0.20	
				Maharaja Heritage Resorts Limited	0.30	0.20	
7. Rent Paid				International Travel House Limited	3.77	—	
Mrs. B. Deveshwar	0.60	0.54		17. Loans Given			
				ATC Limited	7.00	—	
8. Remuneration of Managers on Deputation Reimbursed				18. Receipt towards Loan Repayment			
International Travel House Limited	0.25	0.23		Mr. B. B. Chatterjee	0.15	0.01	
				Mr. P. V. Dhobale	0.01	0.01	
9. Remuneration of Managers on Deputation Recovered				Mr. N. Anand	0.01	0.01	
International Travel House Limited	0.93	0.86		19. Adjustment/Receipt towards Refund of Advances			
ATC Limited	2.55	2.62		ATC Limited	—	0.30	
Maharaja Heritage Resorts Limited	0.77	1.12					
10. Donations							
ITC Rural Development Trust	1.50	1.50					
ITC Sangeet Research Academy	0.20	—					

RELATED PARTY TRANSACTIONS SUMMARY		2013	2012
20. Deposits Received during the year			
International Travel House Limited	0.02	0.01	0.01
21. Deposits Given during the year			
Mr. Y. C. Deveshwar	—	0.01	0.01
Mrs. B. Deveshwar	0.03	—	—
22. Balances as on 31st March			
i) Receivables			
ATC Limited	0.73	1.17	1.17
Maharaja Heritage Resorts Limited	3.74	4.89	4.89
ii) Advances Given			
Employee Trust - Gratuity Funds	—	4.77	4.77
iii) Loans Given			
Mr. Y. C. Deveshwar	0.10	0.10	0.10
Mr. N. Anand	0.17	0.18	0.18
Mr. B. B. Chatterjee	—	0.14	0.14
ATC Limited	7.00	—	—
iv) Deposits Given			
Mrs. B. Deveshwar	0.30	0.27	0.27
Classic Infrastructure & Development Limited	0.10	0.10	0.10
v) Deposits Taken			
International Travel House Limited	0.66	0.64	0.64
vi) Payables			
International Travel House Limited	7.77	5.77	5.77
Gujarat Hotels Limited	1.09	0.97	0.97
ITC Filtrona Limited	2.07	2.82	2.82
Employee Trust - Pension Funds	19.54	13.38	13.38
Employee Trust - Gratuity Funds	15.70	—	—
23. In addition, Remuneration of Managers on Deputation, absorbed			
ITC Sangeet Research Academy	0.17	0.15	0.15

Notes to the Consolidated Financial Statements

31. Significant Accounting Policies

IT IS GROUP CORPORATE POLICY

Convention

To prepare financial statements in accordance with applicable Accounting Standards in India. A summary of important accounting policies is set out below. The financial statements have also been prepared in accordance with relevant presentational requirements of the Companies Act, 1956.

Basis of Accounting

To prepare financial statements in accordance with the historical cost convention modified by revaluation of certain Fixed Assets as and when undertaken.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies Act, 1956 based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Fixed Assets

To state Fixed Assets at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs, if any.

To capitalise software where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation/system integration services. The costs are capitalised in the year in which the relevant software is implemented for use.

To charge off as a revenue expenditure all upgradation / enhancements unless they bring similar significant additional benefits.

Depreciation

To calculate depreciation on Fixed Assets, Tangible and Intangible, in a manner that amortises the cost of the assets after commissioning, over their estimated useful lives or, where specified, lives based on the rates specified in Schedule XIV to the Companies Act, 1956, whichever is lower, by equal annual instalments. Leasehold properties are amortised over the period of the lease.

To amortise capitalised software costs over a period of five years.

Revaluation of Assets

As and when Fixed Assets are revalued, to adjust the provision for depreciation on such revalued Fixed Assets, where applicable, in order to make allowance for consequent additional diminution in value on considerations of age, condition and unexpired useful life of such Fixed Assets; to transfer to Revaluation Reserve the difference between the written up value of the Fixed Assets revalued and depreciation adjustment and to charge Revaluation Reserve Account with annual depreciation on that portion of the value which is written up.

Impairment of Assets

To provide for impairment loss, if any, to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

Investments

To state Current Investments at lower of cost and fair value; and Long Term Investments, other than associates, at cost. Where applicable, provision is made to recognise a decline, other than temporary, in valuation of Long Term Investments.

To account for investments in associates using the equity method.

Interests in Joint Ventures

To account for interests in jointly controlled entities (incorporated Joint Ventures) using proportionate consolidation.

Goodwill on Consolidation

To state goodwill arising on consolidation at cost, and to recognise, where applicable, any impairment.

Inventories

To state inventories including work-in-progress at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and, where necessary, provision is made for such inventories.

Revenue from sale of products and services

To recognize Revenue at the time of delivery of goods and rendering of services net of trade discounts to customers and Sales Tax / Value Added Tax recovered from customers but including excise duty on goods payable by the Group. Net Revenue is stated after deducting such excise duty.

Investment Income

To account for Income from Investments on an accrual basis, inclusive of related tax deducted at source. To account for Income from Dividends when the right to receive such dividends is established.

Notes to the Consolidated Financial Statements

31. Significant Accounting Policies (Contd.)

Proposed Dividend

To provide for Dividends (including income tax thereon) in the books of account of the parent as proposed by the Directors, pending approval at the Annual General Meeting.

Employee Benefits

To make regular monthly contributions to various Provident Funds which are in the nature of defined contribution schemes and such paid/payable amounts are charged against revenue. To administer such Funds through duly constituted and approved independent trusts with the exception of Provident Fund and Family Pension contributions in respect of Unionised Staff which are statutorily deposited with the Government.

To administer through duly constituted and approved independent trusts, various Gratuity and Pension Funds which are in the nature of defined benefit / contribution schemes. To determine the liabilities towards such schemes, as applicable, and towards employee leave encashment by an independent actuarial valuation as per the requirements of Accounting Standard – 15 on “Employee Benefits”. To determine actuarial gains or losses and to recognise such gains or losses immediately in the Statement of Profit and Loss as income or expense.

To charge against revenue, actual disbursements made, when due, under the Workers’ Voluntary Retirement Scheme.

Lease Rentals

To charge Rentals in respect of leased premises and equipment to the Statement of Profit and Loss.

To recognise rental income on assets given on operating lease on an accrual basis over the lease term in the Statement of Profit and Loss.

Research and Development

To write off all expenditure other than capital expenditure on Research and Development in the year it is incurred. Capital expenditure on Research and Development is included under Tangible Assets.

Taxes on Income

To provide Current tax as the amount of tax payable in respect of taxable income for the period, measured using the applicable tax rates and tax laws.

To provide Deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence, measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Not to recognise Deferred tax assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

Foreign Currency Translation

To account for transactions in foreign currency at the exchange rate prevailing on the date of transactions. Gains/Losses arising out of fluctuations in the exchange rates are recognised in the Statement of Profit and Loss in the period in which they arise.

To account for differences between the forward exchange rates and the exchange rates at the date of transactions, as income or expense over the life of the contracts.

To account for profit / loss arising on cancellation or renewal of forward exchange contracts as income / expense for the period.

To account for premium paid on currency options in the Statement of Profit and Loss at the inception of the option.

To account for profit/loss arising on settlement or cancellation of currency option as income/expense for the period.

To recognise the net mark to market losses in the Statement of Profit and Loss on the outstanding portfolio of options / forwards / swaps as at the Balance Sheet date, and to ignore the net gain, if any.

To account for gains / losses in the Statement of Profit and Loss on foreign exchange rate fluctuations relating to monetary items at the year end.

To accumulate exchange differences arising on monetary items that, in substance, form part of the Company’s net investment in a non-integral foreign operation in a foreign currency translation reserve. To recognise such balances in the Statement of Profit and Loss on disposal of the net investment.

To translate the financial statement of non-integral foreign operations by recording the exchange difference arising on translation of assets / liabilities and income / expenses in a foreign exchange translation reserve.

Claims

To disclose claims against the Group not acknowledged as debts after a careful evaluation of the facts and legal aspects of the matter involved.

Segment Reporting

To identify segments based on the dominant source and nature of risks and returns and the internal organisation and management structure.

To account for inter-segment revenue on the basis of transactions which are primarily market led.

To include under “Unallocated Corporate Expenses” revenue and expenses which relate to initiatives / costs attributable to the enterprise as a whole and are not attributable to segments.

Financial and Management Information Systems

To practice an Accounting System which unifies Financial and Cost Records and is designed to comply with the relevant provisions of the Companies Act, provide financial and cost information appropriate to the businesses and facilitate Internal Control.

On behalf of the Board

P. V. DHOBALE *Director* Y. C. DEVESHWAR *Chairman*
R. TANDON *Chief Financial Officer* B. B. CHATTERJEE *Company Secretary*

Kolkata
17th May, 2013

Independent Auditors' Report

to the Board of Directors of ITC Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **ITC LIMITED** (the "Company") and its subsidiaries (the "Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management,

as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, joint ventures and associates referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements 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, 2013;
 - (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matter

7. We did not audit the financial statements of certain subsidiaries and joint ventures, whose financial statements reflect the Group's share of total assets of ₹ 1691.68 Crores as at 31st March, 2013, and the Group's share of total revenues of ₹ 1279.50 Crores for the year ended on that date, and net cash outflows amounting to ₹ 12.96 Crores for the year ended on that date and associates whose financial statements reflect the Group's share of profit up to 31st March, 2013 of ₹ 64.79 Crores and the Group's share of profit of ₹ 10.87 Crores for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration No. 302009E)

Kolkata
17th May, 2013

P. R. Ramesh
Partner
(Membership No. 70928)