

Notes to the Financial Statements

	As at 31st March, 2014 (No. of Shares)	As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2013 (₹ 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	7,95,31,82,950	795.32	7,90,18,33,110	790.18
A) Reconciliation of number of Ordinary Shares outstanding				
As at beginning of the year	7,90,18,33,110	790.18	7,81,84,24,300	781.84
Add: Issue of Shares on exercise of Options	5,13,49,840	5.14	8,34,08,810	8.34
As at end of the year	7,95,31,82,950	795.32	7,90,18,33,110	790.18
B) Shareholders holding more than 5% of the Ordinary Shares in the Company				
	As at 31st March, 2014 (No. of Shares)	As at 31st March, 2014 %	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2013 %
Tobacco Manufacturers (India) Limited	1,98,55,64,880	24.96	1,98,55,64,880	25.13
Life Insurance Corporation of India	1,10,28,29,844	13.87	96,18,42,593	12.17
Specified Undertaking of the Unit Trust of India	89,67,24,540	11.28	89,67,24,540	11.35
C) Ordinary Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31st March				
	2014 (No. of Shares)	2013 (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 <i>pari passu</i> in all respects including voting rights and entitlement to dividend.				
E) Shares reserved for issue under Options				
	As at 31st March, 2014 (No. of Shares)	As at 31st March, 2013 (No. of Shares)		
Ordinary Shares of ₹ 1.00 each	26,58,13,470	25,06,80,820		

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 Financial Statements

	As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
2. Reserves and surplus		
Capital Reserve		
At the beginning and at the end of the year	2.48	2.48
Capital Redemption Reserve		
At the beginning and at the end of the year	0.30	0.30
Securities Premium Account		
At the beginning of the year	3476.24	2562.27
Add: On issue of Shares	<u>685.94</u>	<u>913.97</u>
At the end of the year	4162.18	3476.24
Revaluation Reserve		
At the beginning of the year	52.75	53.05
Less: Depreciation	0.29	0.30
On disposal of Fixed Assets	<u>0.05</u>	<u>...</u>
At the end of the year	52.41	52.75
Contingency Reserve		
At the beginning and at the end of the year	363.05	363.05
General Reserve		
At the beginning of the year	13806.31	13056.31
Add: Transfer from Surplus in Statement of Profit and Loss	<u>880.00</u>	<u>750.00</u>
At the end of the year	14686.31	13806.31
Foreign Currency Translation Reserve		
At the beginning of the year	8.44	-
Add: Exchange differences during the year	<u>32.11</u>	<u>8.44</u>
At the end of the year	40.55	8.44
Hedging Reserve		
At the beginning of the year	-	-
Add: Gain on mark to market of hedging instruments designated and effective as hedges of future cash flows (net of deferred tax of ₹ 10.47 Crores)	<u>20.33</u>	<u>-</u>
At the end of the year	20.33	-
Surplus in Statement of Profit and Loss		
At the beginning of the year	3788.10	1972.59
Add: Profit for the Year	8785.21	7418.39
Less: Transfer to General Reserve	880.00	750.00
Proposed Dividend [₹ 6.00 (2013 - ₹ 5.25) per share]	4771.91	4148.46
Income Tax on Proposed Dividend		
- Current Year	810.99	705.03
- Earlier year's provision no longer required	<u>(28.68)</u>	<u>(0.61)</u>
At the end of the year	6139.09	3788.10
TOTAL	<u>25466.70</u>	<u>21497.67</u>

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
3. Long-term borrowings		
Unsecured		
Term loans from Banks	–	0.02
Deferred payment liabilities		
Sales tax deferment loans	51.00	66.38
TOTAL	51.00	66.40

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.

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.

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)	0.02	15.38	0.10	11.17
Current maturities of long-term debt	0.02	15.38	0.10	11.17
In the second year	–	12.31	0.02	15.38
In the third to fifth year	–	27.56	–	33.00
After five years	–	11.13	–	18.00
Long-term borrowings	–	51.00	0.02	66.38

4. Deferred tax liabilities (Net)

Deferred tax liabilities		
On fiscal allowances on fixed assets	1356.73	1208.99
On excise duty on closing stock	365.21	490.57
Other timing differences	19.52	6.69
	1741.46	1706.25
Deferred tax assets		
On employees' separation and retirement etc.	67.29	48.89
On provision for doubtful debts/advances	14.60	12.01
On State and Central taxes etc.	318.60	408.83
Other timing differences	44.01	32.80
	444.50	502.53
TOTAL	1296.96	1203.72

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
5. Other Long term liabilities		
Trade payables	–	1.32
Sundry deposits	0.02	0.03
Others (Includes retention monies payable towards fixed assets)	5.07	1.76
TOTAL	5.09	3.11

6. Long-term provisions		
Provision for employee benefits		
Retirement benefits	65.97	61.31
Other benefits	44.03	64.31
TOTAL	110.00	125.62

7. Short-term borrowings		
Secured		
Loans from Banks		
Cash credit facilities	0.14	–
TOTAL	0.14	–

Cash credit facilities are secured by hypothecation of inventories of the Company, both present and future.

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
8. Other current liabilities		
Current maturities of long-term debt (Note 3)	15.40	11.27
Interest accrued but not due on borrowings	0.02	0.03
Unpaid dividend *	113.28	95.92
Unpaid matured deposits and interest accrued thereon
Unpaid matured debentures / bonds and interest accrued thereon **	0.32	0.32
Sundry deposits	40.64	33.01
Other payables	3462.22	3388.07
TOTAL	3631.88	3528.62

* 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 (2013 - ₹ 0.30 Crore) maintained with a bank for which the Company has filed a suit.

Other payables comprise:

Payables for fixed assets	319.58	295.94
Statutory liabilities	2415.57	2161.70
Advances received from customers	521.64	685.23
Others	205.43	245.20
TOTAL	3462.22	3388.07

9. Short-term provisions

Current portion of long-term employee benefits		
Retirement benefits	32.99	33.05
Other benefits	41.30	13.00
Current taxation (net of advance payment)	225.97	232.04
Fringe benefit tax (net of advance payment)	1.55	1.55
Proposed dividend	4771.91	4148.46
Income tax on proposed dividend	810.99	705.03
TOTAL	5884.71	5133.13

Notes to the Financial Statements

(₹ in Crores)

Particulars	Gross Block				Depreciation and Amortisation				Net Book Value						
	@ As at 31st March, 2012	Additions	Withdrawals and adjustments	@ As at 31st March, 2013	Additions	Withdrawals and adjustments	@ As at 31st March, 2014	Upto 31st March, 2012	On Withdrawals and adjustments For the year	Upto 31st March, 2013	On Withdrawals and adjustments For the year	Upto 31st March, 2014	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2014
Tangible assets															
Land															
Freehold	1064.45	3.76	15.96	1052.25	36.95	0.02	1089.18	-	-	-	-	-	1089.18	1052.25	1064.45
Leasehold	210.23	2.62	(14.89)	227.74	15.05	1.44	241.35	10.54	0.92	11.46	1.85	13.24	228.11	216.28	199.69
Buildings	2567.79	994.68	0.24	3562.23	311.12	0.39	3872.96	420.64	68.64	489.09	81.45	569.94	3303.02	3073.14	2147.15
Licensed Properties - Building Improvement	51.68	7.37	2.49	56.56	9.10	6.86	58.80	26.54	7.00	31.68	7.00	32.76	26.04	24.88	25.14
Plant and Equipment	9327.39	1706.73	108.95	10925.17	1276.84	107.26	12094.75	4058.57	629.87	4600.85	716.13	5236.08	6858.67	6324.32	5268.82
Furniture and Fixtures	472.86	182.93	11.44	644.35	48.20	9.03	683.52	271.71	39.51	301.44	42.55	336.69	346.83	342.91	201.15
Vehicles	87.36	20.55	10.58	97.33	19.40	11.06	105.67	23.34	8.82	26.87	9.65	31.20	74.47	70.46	64.02
Office Equipment	19.84	2.80	1.61	21.03	5.60	(0.77)	27.40	7.35	1.13	7.39	1.38	6.89	20.51	13.64	12.49
Railway Sidings etc.	1.72	-	-	1.72	1.38	1.13	1.97	0.97	0.08	1.05	0.10	0.11	1.86	0.67	0.75
Capital work-in-progress	13803.32	2921.44	136.38	16588.38	1723.64	136.42	18175.60	4819.66	755.97	105.80	860.11	6226.91	11948.69	11118.55	8983.66
	2269.26	2131.22	2927.68	1472.80	2479.57	1679.43	2272.94	-	-	-	-	-	2272.94	1472.80	2269.26
TOTAL	16072.58	5052.66	3064.06	18061.18	4203.21	1815.85	20448.54	4819.66	755.97	105.80	860.11	6226.91	14221.63	12591.35	11252.92
Intangible assets (acquired)															
Goodwill	4.90	-	-	4.90	-	-	4.90	4.90	-	4.90	-	4.90	-	-	-
Trademarks	6.04	-	-	6.04	-	-	6.04	5.98	0.03	6.01	0.01	6.02	0.02	0.03	0.06
Computer Software	257.10	15.15	0.18	272.07	13.81	0.54	285.34	162.55	33.92	196.29	34.15	230.35	54.99	75.78	94.55
Know-how, Business and Commercial Rights	72.99	-	-	72.99	-	-	72.99	52.07	5.94	58.01	5.94	63.95	9.04	14.98	20.92
	341.03	15.15	0.18	356.00	13.81	0.54	369.27	225.50	39.89	265.21	40.10	305.22	64.05	90.79	115.53
Intangible assets under development	7.49	22.52	15.02	14.99	21.50	13.70	22.79	-	-	-	-	-	22.79	14.99	7.49
TOTAL	348.52	37.67	15.20	370.99	35.31	14.24	392.06	225.50	39.89	265.21	40.10	305.22	86.84	105.78	123.02

The above includes following assets given on operating lease:

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Gross Block	Net Book Value	Gross Block	Net Book Value
Buildings	9.12	3.91	9.12	4.34
Plant and Equipment	295.49	108.59	278.95	109.47
TOTAL	304.61	112.50	288.07	113.81

@ Original Cost / Professional Valuation as at 30th June, 1986

Land Freehold includes the provisional purchase price of ₹ 17.29 Crores (2013 - ₹ 17.29 Crores) in respect of land at Bengaluru. Final purchase price is to be determined by the Kamataka 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.

Land Freehold includes certain lands at Munger with Gross Block - ₹ 1.16 Crores (2013 - ₹ 1.16 Crores) 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 ₹ 988.76 Crores (2013 - ₹ 891.73 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 ₹ 72.99 Crores (2013 - ₹ 72.99 Crores) -

- ₹ 59.97 Crores (2013 - ₹ 59.97 Crores) acquired in earlier years and have been amortised over 10 years.

- ₹ 8.05 Crores (2013 - ₹ 8.05 Crores) acquired in earlier years and have been amortised over 5 years.

- ₹ 4.97 Crores (2013 - ₹ 4.97 Crores) acquired in earlier years and have been amortised over 4 years.

Depreciation for the year includes ₹ 0.29 Crore (2013 - ₹ 0.30 Crore) transferred from Revaluation Reserve in respect of revalued assets.

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)		
	Quoted	Unquoted	Quoted	Unquoted	
11. Non-current investments (at cost unless stated otherwise)					
Long Term					
A. TRADE INVESTMENTS					
INVESTMENT IN EQUITY INSTRUMENTS					
In Subsidiaries					
Gold Flake Corporation Limited 1,59,98,385 Equity Shares of ₹ 10.00 each, fully paid		16.00		16.00	
Wills Corporation Limited 48,85,626 Equity Shares of ₹ 10.00 each, fully paid		4.88		4.88	
Russell Credit Limited 59,74,54,177 Equity Shares of ₹ 10.00 each, fully paid 7,54,22,400 Equity Shares of ₹ 10.00 each, ₹ 6.50 per share paid		619.29 39.22		619.29 39.22	
ITC Infotech India Limited 8,52,00,000 Equity Shares of ₹ 10.00 each, fully paid		85.14		85.14	
Landbase India Limited 9,20,00,000 (2013 - 5,00,00,000) Equity Shares of ₹ 10.00 each, fully paid		100.57		58.57	
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)		–		–	
BFIL Finance Limited 2,00,00,000 Equity Shares of ₹ 10.00 each, fully paid (cost ₹ 20.00 Crores, fully provided)		–		–	
Surya Nepal Private Limited 1,18,94,400 Ordinary Shares of Nepalese Rupees 100.00 each, fully paid		10.15		10.15	
Srinivasa Resorts Limited 1,63,20,477 Equity Shares of ₹ 10.00 each, fully paid		18.53		18.53	
Fortune Park Hotels Limited 4,50,008 Equity Shares of ₹ 10.00 each, fully paid		0.45		0.45	
Bay Islands Hotels Limited 11,875 Equity Shares of ₹ 100.00 each, fully paid		0.12		0.12	
King Maker Marketing, Inc. 204 Shares of Common Stock with no par value		10.23		10.23	
Wimco Limited 18,50,81,193 (2013 - 18,24,76,340) Equity Shares of ₹ 1.00 each, fully paid		116.02		114.33	
Technico Pty Limited 2,26,06,065 Ordinary Shares with no par value		108.72		108.72	
WelcomHotels Lanka (Private) Limited 10,11,72,150 (2013 - 37,65,000) Shares with no par value		462.91		15.93	
ITC Investments & Holdings Limited 45,00,000 Equity Shares of ₹ 10.00 each, fully paid		4.50		4.50	
North East Nutrients Private Limited 1,14,00,000 Equity Shares of ₹ 10.00 each, fully paid		11.40		–	
In Associates					
International Travel House Limited 2,87,600 Equity Shares of ₹ 10.00 each, fully paid		0.65		0.65	
Gujarat Hotels Limited 17,33,907 Equity Shares of ₹ 10.00 each, fully paid		1.94		1.94	
In Joint Ventures					
Espirit Hotels Private Limited 4,65,09,200 Equity Shares of ₹ 10.00 each, fully paid		46.51		46.51	
Maharaja Heritage Resorts Limited 90,000 Equity Shares of ₹ 100.00 each, fully paid		0.90		0.90	
Logix Developers Private Limited 70,51,003 (2013 - 68,23,243) Equity Shares of ₹ 10.00 each, fully paid		38.08		36.84	
Carried over		2.59	1693.62	2.59	1190.31

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	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
11. Non-current investments (at cost unless stated otherwise) (Contd.)				
Brought forward	2.59	1693.62	2.59	1190.31
TRADE INVESTMENTS (Contd.)				
In Others				
VST Industries Limited 476 Equity Shares of ₹ 10.00 each, fully paid	0.01		0.01	
Hotel Leelaventure Limited 4,99,53,055 Equity Shares of ₹ 2.00 each, fully paid	184.23		184.23	
EIH Limited 8,56,21,473 Equity Shares of ₹ 2.00 each, fully paid	392.29		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)		–		–
Bihar Hotels Limited 8,00,000 Equity Shares of ₹ 2.00 each, fully paid		0.04		0.04
INVESTMENT IN PREFERENCE SHARES				
In Subsidiaries				
Wimco Limited 50,00,000 Zero Coupon Redeemable Preference Shares of ₹ 100.00 each, fully paid		50.00		50.00
Landbase India Limited 1,87,00,000 (2013 - 1,79,00,000) Redeemable Preference Shares of ₹ 100.00 each, fully paid		187.00		179.00
INVESTMENT IN DEBENTURES				
In Subsidiaries				
BFIL Finance Limited 15,00,000 - 18.5% Non - Convertible Debentures of ₹ 100.00 each, renewed at 0% (cost ₹ 15.00 Crores, fully provided)		–		–
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	
Andhra Pradesh Gas Power Corporation Limited 8,04,000 Equity Shares of ₹ 10.00 each, fully paid		2.32		2.32
Woodlands Multispeciality Hospital Limited 13,050 Equity Shares of ₹ 10.00 each, fully paid		0.01		0.01
INVESTMENT IN GOVERNMENT OR TRUST SECURITIES				
Government Securities [cost ₹ 74000.00 (2013 - ₹ 76000.00)]		0.01		0.01
Aggregate amount of quoted and unquoted Investments	579.17	1933.00	579.17	1421.69
Total Non-current investments		2512.17		2000.86

Aggregate market value of quoted investments ₹ 732.55 Crores (2013 - ₹ 620.47 Crores).

Aggregate provision for diminution in value ₹ 61.77 Crores (2013 - ₹ 61.77 Crores).

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
12. Long-term loans and advances				
Capital advances				
Unsecured, considered good		361.84		285.40
Security deposits				
Unsecured, considered good	670.08		593.35	
Doubtful	3.05		2.96	
	<u>673.13</u>		<u>596.31</u>	
Less: Provision for doubtful deposits	3.05	670.08	2.96	593.35
Loans and advances to Related Parties				
Security deposits - unsecured, considered good	52.82		50.37	
Loans and advances - secured, considered good	53.44		89.07	
Loans and advances - unsecured, considered good	–		391.09	
Loans and advances - doubtful	<u>32.55</u>		<u>32.55</u>	
	<u>138.81</u>		<u>563.08</u>	
Less: Provision for doubtful loans and advances	<u>32.55</u>	106.26	<u>32.55</u>	530.53
Other loans and advances (Comprise loans to employees, prepaid expenses, advances with statutory authorities etc.)				
Unsecured, considered good	341.84		318.69	
Doubtful	<u>16.62</u>		<u>15.46</u>	
	<u>358.46</u>		<u>334.15</u>	
Less: Provision for doubtful loans and advances	<u>16.62</u>	341.84	<u>15.46</u>	318.69
TOTAL		<u>1480.02</u>		<u>1727.97</u>

Loans and advances to Related Parties include loans to Directors and Company Secretary - Nil (2013 - ₹ 0.25 Crore) and deposit with Director - ₹ 0.05 Crore (2013 - Nil). Refer Note 33.

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ 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		185.76		160.94
Investment in Bonds				
India Infrastructure Finance Company Limited Nil (2013 - 43,570) 6.85% Tax Free Bonds of ₹ 100000.00 each, fully paid		–		429.87
Nil (2013 - 3,000) 6.85% Tax Free Bonds of ₹ 100000.00 each, fully paid		–		29.57
Indian Railway Finance Corporation Limited 10,000 6.30% Tax Free Bonds of ₹ 100000.00 each, fully paid		94.95		93.46
10,00,000 7.18% Tax Free Bonds of ₹ 1000.00 each, fully paid	93.47		100.00	
20,00,000 8.23% Tax Free Bonds of ₹ 1000.00 each, fully paid	199.80		–	
4,35,012 8.00% Tax Free Bonds of ₹ 1000.00 each, fully paid	42.90		43.50	
Power Finance Corporation Limited 1,500 8.09% Tax Free Bonds of ₹ 100000.00 each, fully paid		14.87		15.67
1,000 8.01% Tax Free Bonds of ₹ 1000000.00 each, fully paid		98.46		–
1,00,000 8.20% Tax Free Bonds of ₹ 1000.00 each, fully paid	9.97		10.53	
12,95,560 8.18% Tax Free Bonds of ₹ 1000.00 each, fully paid	128.95		–	
National Housing Bank 1,03,785 Zero Coupon Bonds 2018 of ₹ 10000.00 each, fully paid		67.39		61.85
National Bank for Agriculture and Rural Development 4,100 Zero Coupon Bhavishya Nirman Bonds 2017 of ₹ 20000.00 each, fully paid		6.05		5.55
1,41,270 Zero Coupon Bhavishya Nirman Bonds 2019 of ₹ 20000.00 each, fully paid		182.79		167.57
National Highways Authority of India 4,94,476 8.20% Tax Free Bonds of ₹ 1000.00 each, fully paid	49.31		49.45	
Rural Electrification Corporation Limited 30,00,000 7.22% Tax Free Bonds of ₹ 1000.00 each, fully paid	281.29		300.00	
1,000 8.01% Tax Free Bonds of ₹ 1000000.00 each, fully paid	98.47		–	
Investment in Mutual Funds				
Birla Sun Life Fixed Term Plan - Series GO (369 Days) - Growth Nil (2013 - 1,00,00,000) Units of ₹ 10.00 each		–		10.00
Birla Sun Life Fixed Term Plan - Series GB - Growth (541 Days) 1,50,00,000 Units of ₹ 10.00 each	15.00		15.00	
Birla Sun Life Fixed Term Plan - Series GQ (367 Days) - Growth Nil (2013 - 1,00,00,000) Units of ₹ 10.00 each		–		10.00
Birla Sun Life Fixed Term Plan - Series HY (368 Days) - Dividend - Payout 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Birla Sun Life Fixed Term Plan - Series IA (366 Days) - Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
Birla Sun Life Fixed Term Plan - Series JA (366 Days) - Dividend - Payout 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
Birla Sun Life Fixed Term Plan - Series JE (368 Days) - Dividend - Payout 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Birla Sun Life Fixed Term Plan - Series JI (368 Days) - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
Birla Sun Life Fixed Term Plan - Series JL (368 Days) - Growth 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
Birla Sun Life Fixed Term Plan - Series JQ (368 Days) - Growth 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Birla Sun Life Fixed Term Plan - Series JT (367 Days) - Growth 3,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	35.00		–	
Birla Sun Life Fixed Term Plan - Series JY (367 Days) - Growth 3,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	35.00		–	
Birla Sun Life Fixed Term Plan - Series JZ (368 Days) - Growth 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
Carried over	1159.16	650.27	538.48	964.48

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1159.16	650.27	538.48	964.48
Investment in Mutual Funds (Contd.)				
Birla Sun Life Fixed Term Plan - Series KC (368 Days) - Growth 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
Birla Sun Life Fixed Term Plan - Series KK (367 Days) - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
Birla Sun Life Fixed Term Plan - Series KM (368 Days) - Growth 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Birla Sun Life Floating Rate Long Term - Daily Dividend - Reinvestment 82,46,422 (2013 - 77,01,889) Units of ₹ 100.00 each		82.60		77.14
Birla Sun Life Interval Income Fund - Annual Plan VIII - Growth 5,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	50.00		–	
Birla Sun Life Interval Income Fund - Annual Plan 2 - Growth Nil (2013 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
Birla Sun Life Savings Fund - Daily Dividend - Reinvestment 27,58,038 (2013 - 25,74,992) Units of ₹ 100.00 each		27.61		25.78
Birla Sun Life Savings Fund - Growth 12,32,931 (2013 - 23,17,351) Units of ₹ 100.00 each		26.60		50.00
Birla Sun Life Short Term Fund - Dividend - Payout 5,05,02,285 (2013 - Nil) Units of ₹ 10.00 each		50.50		–
Birla Sun Life Fixed Term Plan - Series FU - Dividend (366 Days) - Payout Nil (2013 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
Birla Sun Life Fixed Term Plan - Series FV - Growth (367 Days) Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
BNP Paribas Money Plus Fund - Growth Nil (2013 - 5,28,96,512) Units of ₹ 10.00 each		–		71.23
Canara Robeco Treasury Advantage Fund - Daily Dividend 2,21,444 (2013 - 2,07,239) Units of ₹ 1000.00 each		27.47		25.71
DSP BlackRock Fixed Maturity Plan - Series 93 - 12M - Dividend - Quarterly Payout 2,50,00,000 Units of ₹ 10.00 each	25.00		25.00	
DSP BlackRock Fixed Maturity Plan - Series 103 - 12M - Growth 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
DSP BlackRock Fixed Maturity Plan - Series 81 - 12M - Dividend - Quarterly Payout Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
DSP BlackRock Fixed Maturity Plan - Series 82 - 12M - Dividend - Quarterly Payout Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
DSP BlackRock Fixed Maturity Plan - Series 84 - 12M - Growth Nil (2013 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
DSP BlackRock Money Manager Fund - Dividend Nil (2013 - 2,50,691) Units of ₹ 1000.00 each		–		25.07
DSP BlackRock Money Manager Fund - Growth Nil (2013 - 6,50,951) Units of ₹ 1000.00 each		–		100.00
DSP BlackRock Strategic Bond Fund - Institutional Plan - Daily Dividend Nil (2013 - 7,63,250) Units of ₹ 1000.00 each		–		76.86
DSP BlackRock Fixed Maturity Plan - Series 105 - 12M - Dividend - Quarterly Payout 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
DSP BlackRock Fixed Maturity Plan - Series 130 - 12M - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
DSP BlackRock Fixed Maturity Plan - Series 144 - 12M - Growth 3,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	35.00		–	
DSP BlackRock Fixed Maturity Plan - Series 146 - 12M - Growth 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Carried over	1429.16	865.05	703.48	1416.27

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1429.16	865.05	703.48	1416.27
Investment in Mutual Funds (Contd.)				
DSP BlackRock Fixed Maturity Plan - Series 147 - 3M - Dividend - Quarterly Payout 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
DSP BlackRock Fixed Maturity Plan - Series 149 - 12M - Growth 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
DSP BlackRock Fixed Maturity Plan - Series 151 - 12M - Growth 5,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	50.00		–	
DSP BlackRock Fixed Maturity Plan - Series 43 - 12M - Growth Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
DSP BlackRock Fixed Maturity Plan - Series 87 - 12M - Growth Nil (2013 - 4,00,00,000) Units of ₹ 10.00 each	–		40.00	
DSP BlackRock Fixed Maturity Plan - Series 37 - 13M - Dividend Payout Nil (2013 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
DSP BlackRock Fixed Maturity Plan - Series 86 - 12M - Growth Nil (2013 - 4,50,00,000) Units of ₹ 10.00 each	–		45.00	
DWS Fixed Maturity Plan - Series 18 - Quarterly Dividend Plan - Payout Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
DWS Fixed Maturity Plan - Series 24 - Growth Nil (2013 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
DWS Fixed Maturity Plan - Series 28 - Dividend - Payout 1,00,00,000 Units of ₹ 10.00 each	10.00		10.00	
DWS Fixed Maturity Plan - Series 31 - Dividend - Payout 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
DWS Fixed Maturity Plan - Series 36 - Dividend - Payout 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
DWS Fixed Maturity Plan - Series 39 - Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
DWS Fixed Maturity Plan Series 43 - Dividend - Payout 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
DWS Fixed Maturity Plan Series 48 - Growth 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
DWS Fixed Maturity Plan Series 50 - Growth 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
DWS Fixed Maturity Plan Series 51 - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
DWS Interval Fund Annual Plan Series 1 - Growth 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
DWS Short Maturity Fund - Quarterly Dividend - Reinvestment Nil (2013 - 7,21,58,034) Units of ₹ 10.00 each	–		75.65	
DWS Treasury Fund - Investment - Quarterly Dividend - Reinvestment 7,60,07,335 (2013 - Nil) Units of ₹ 10.00 each		80.00	–	
DWS Ultra Short Term Fund - Institutional Plan - Dividend - Reinvestment Nil (2013 - 10,00,72,130) Units of ₹ 10.00 each	–		100.07	
HDFC Annual Interval Fund Series 1 - Plan A - Growth Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
HDFC Cash Management Fund - Treasury Advantage Plan - Monthly Dividend 6,40,57,080 (2013 - Nil) Units of ₹ 10.00 each		65.00	–	
HDFC Fixed Maturity Plan 369D February 2014 (2) Series 29 - Growth 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
HDFC Fixed Maturity Plan 369D June 2013 (1) Series 26 - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
HDFC Fixed Maturity Plan 369D March 2014 (1) Series 29 - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
Carried over	1704.16	1010.05	1059.20	1416.27

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1704.16	1010.05	1059.20	1416.27
Investment in Mutual Funds (Contd.)				
HDFC Fixed Maturity Plan 370D February 2014 (1) Series 29 - Growth 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
HDFC Fixed Maturity Plan 370D July 2013 (3) Series 26 - Flexi 5,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	50.00		–	
HDFC Fixed Maturity Plan 371D December 2012 (1) - Growth - Series 23 Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
HDFC Fixed Maturity Plan 371D February 2014 (1) Series 29 - Growth 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
HDFC Fixed Maturity Plan 371D February 2014 (2) Series 29 - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
HDFC Fixed Maturity Plan 371D November 2012 (1) - Flexi - Series 23 Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
HDFC Fixed Maturity Plan 371D November 2012 (2) - Flexi - Series 23 Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
HDFC Fixed Maturity Plan 384D March 2013 (1) Series 23 - Flexi 3,00,00,000 Units of ₹ 10.00 each	30.00		30.00	
HDFC Fixed Maturity Plan 566D December 2012 (1) - Flexi - Series 24 5,00,00,000 Units of ₹ 10.00 each	50.00		50.00	
HDFC Fixed Maturity Plan 372D January 2013 (2) Series 23 - Growth Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
HDFC Fixed Maturity Plan 372D January 2013 (3) Series 23 - Growth Nil (2013 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
HDFC Floating Rate Income Fund - Short Term Plan - Growth Nil (2013 - 7,76,03,057) Units of ₹ 10.00 each		–		150.22
HDFC Fixed Maturity Plan 371D July 2012 (1) - Quarterly Dividend - Series 22 Nil (2013 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
HDFC Fixed Maturity Plan 371D February 2013 (1) Series 23 - Growth Nil (2013 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
HDFC Fixed Maturity Plan 372D February 2013 (1) Series 23 - Growth Nil (2013 - 3,00,00,000) Units of ₹ 10.00 each	–		30.00	
HDFC Short Term Opportunities Fund - Dividend 20,09,13,064 (2013 - Nil) Units of ₹ 10.00 each		202.32		–
ICICI Prudential Banking and PSU Debt Fund - Quarterly Dividend 4,92,90,221 (2013 - Nil) Units of ₹ 10.00 each		50.00		–
ICICI Prudential Blended Plan B - Quarterly Dividend Option - I 3,86,97,174 (2013 - Nil) Units of ₹ 10.00 each		40.30		–
ICICI Prudential Dynamic Bond Fund - Monthly Dividend 4,83,81,900 (2013 - Nil) Units of ₹ 10.00 each		50.22		–
ICICI Prudential Fixed Maturity Plan Series 64 - 367 Days Plan J Dividend Nil (2013 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
ICICI Prudential Fixed Maturity Plan Series 65 - 502 Days Plan C Dividend 5,00,00,000 Units of ₹ 10.00 each	50.00		50.00	
ICICI Prudential Fixed Maturity Plan Series 65 - 505 Days Plan J Dividend 2,50,00,000 Units of ₹ 10.00 each	25.00		25.00	
ICICI Prudential Fixed Maturity Plan Series 66 - 366 Days Plan F Cumulative Nil (2013 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
ICICI Prudential Fixed Maturity Plan Series 68 - 369 Days Plan E Cumulative 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
ICICI Prudential Fixed Maturity Plan Series 68 - 369 Days Plan K Dividend 5,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	50.00		–	
ICICI Prudential Fixed Maturity Plan Series 70 - 368 Days Plan K Cumulative 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
ICICI Prudential Fixed Maturity Plan Series 70 - 372 Days Plan L Cumulative 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Carried over	2084.16	1352.89	1404.20	1566.49

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	2084.16	1352.89	1404.20	1566.49
Investment in Mutual Funds (Contd.)				
ICICI Prudential Fixed Maturity Plan Series 71 - 366 Days Plan C Dividend 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
ICICI Prudential Fixed Maturity Plan Series 71 - 367 Days Plan G Dividend 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
ICICI Prudential Fixed Maturity Plan Series 71 - 368 Days Plan K Cumulative 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
ICICI Prudential Fixed Maturity Plan Series 71 - 369 Days Plan E Dividend 4,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	45.00		–	
ICICI Prudential Fixed Maturity Plan Series 71 - 371 Days Plan M Cumulative 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
ICICI Prudential Fixed Maturity Plan Series 72 - 366 Days Plan C Cumulative 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
ICICI Prudential Fixed Maturity Plan Series 72 - 366 Days Plan K Cumulative 5,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	50.00		–	
ICICI Prudential Fixed Maturity Plan Series 72 - 366 Days Plan M Cumulative 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
ICICI Prudential Fixed Maturity Plan Series 72 - 368 Days Plan D Cumulative 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
ICICI Prudential Fixed Maturity Plan Series 73 - 366 Days Plan A Cumulative 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
ICICI Prudential Fixed Maturity Plan Series 73 - 368 Days Plan D Cumulative 3,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	35.00		–	
ICICI Prudential Fixed Maturity Plan Series 65 - 367 Days Plan H Dividend Nil (2013 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
ICICI Prudential Fixed Maturity Plan Series 66 - 368 Days Plan B Cumulative Nil (2013 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
ICICI Prudential Fixed Maturity Plan Series 62 - 396 Days Plan F Dividend Nil (2013 - 3,00,00,000) Units of ₹ 10.00 each	–		30.00	
ICICI Prudential Fixed Maturity Plan Series 65 - 366 Days Plan I Dividend Nil (2013 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
ICICI Prudential Fixed Maturity Plan Series 65 - 367 Days Plan B Dividend Nil (2013 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
ICICI Prudential Interval Fund Annual Interval Plan IV - Growth 99,54,739 (2013 - 1,18,66,995) Units of ₹ 10.00 each	15.00		15.00	
ICICI Prudential Interval Fund II Quarterly Interval Plan F - Dividend 1,99,81,417 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
ICICI Prudential Interval Fund IV Quarterly Interval Plan B - Dividend 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
ICICI Prudential Interval Fund Series VI Annual Interval Plan F - Cumulative 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
ICICI Prudential Long Term - Quarterly Dividend Nil (2013 - 5,08,90,196) Units of ₹ 10.00 each		–		50.92
ICICI Prudential Ultra Short Term - Quarterly Dividend 19,40,59,829 (2013 - Nil) Units of ₹ 10.00 each		200.00		–
ICICI Prudential Ultra Short Term - Growth Nil (2013 - 6,56,07,614) Units of ₹ 10.00 each		–		75.00
ICICI Prudential Ultra Short Term Plan - Quarterly Dividend Nil (2013 - 2,51,04,051) Units of ₹ 10.00 each		–		25.10
IDFC Dynamic Bond Fund - Annual Dividend 4,64,29,475 (2013 - Nil) Units of ₹ 10.00 each		50.06		–
IDFC Fixed Maturity Plan 366 Days Series 74 - Periodic - Dividend Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
Carried over	2504.16	1602.95	1579.20	1717.51

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	2504.16	1602.95	1579.20	1717.51
Investment in Mutual Funds (Contd.)				
IDFC Fixed Term Plan Series 24 - Periodic - Dividend 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
IDFC Fixed Term Plan Series 67 - Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
IDFC Fixed Term Plan Series 69 - Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
IDFC Money Manager Fund - Investment Plan - Periodic Dividend 1,02,00,441 (2013 - 4,97,54,525) Units of ₹ 10.00 each		10.25		50.00
JPMorgan India Short Term Income Fund - Weekly Dividend Reinvestment Nil (2013 - 7,68,62,273) Units of ₹ 10.00 each		–		77.02
JPMorgan India Treasury Fund Super Institutional Growth Nil (2013 - 9,05,73,539) Units of ₹ 10.00 each	–		116.24	
JPMorgan India Treasury Fund Super Institutional Dividend Payout Nil (2013 - 5,00,77,879) Units of ₹ 10.00 each	–		50.08	
JPMorgan India Fixed Maturity Plan Series 12 - Dividend 6,00,00,000 Units of ₹ 10.00 each	60.00		60.00	
JPMorgan India Fixed Maturity Plan Series 13 - Dividend 5,00,00,000 Units of ₹ 10.00 each	50.00		50.00	
JPMorgan India Fixed Maturity Plan Series 21 - Dividend 4,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	45.00		–	
JPMorgan India Fixed Maturity Plan Series 31 - Growth 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
JPMorgan India Fixed Maturity Plan Series 6 Dividend Payout Nil (2013 - 4,50,00,000) Units of ₹ 10.00 each	–		45.00	
Kotak Bond Scheme Plan A - Quarterly Dividend 2,30,90,646 (2013 - Nil) Units of ₹ 10.00 each		23.96		–
Kotak Bond (Short Term) - Monthly Dividend Nil (2013 - 12,32,02,476) Units of ₹ 10.00 each		–		125.00
Kotak Bond (Short Term) - Half - Yearly Dividend 2,49,65,867 (2013 - Nil) Units of ₹ 10.00 each		24.98		–
Kotak Fixed Maturity Plan Series 104 - Dividend 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
Kotak Fixed Maturity Plan Series 106 - Dividend 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
Kotak Fixed Maturity Plan Series 107 - Dividend 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Kotak Fixed Maturity Plan Series 119 - Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
Kotak Fixed Maturity Plan Series 136 - Growth 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Kotak Fixed Maturity Plan Series 137 - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
Kotak Fixed Maturity Plan Series 138 - Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
Kotak Fixed Maturity Plan Series 139 - Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
Kotak Fixed Maturity Plan Series 143 - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
Kotak Fixed Maturity Plan Series 144 - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
Kotak Fixed Maturity Plan Series 99 - Dividend 2,50,00,000 Units of ₹ 10.00 each	25.00		25.00	
Kotak Flexi Debt Scheme Plan A - Growth Nil (2013 - 5,37,02,616) Units of ₹ 10.00 each	–		75.00	
Carried over	2919.16	1662.14	2000.52	1969.53

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	2919.16	1662.14	2000.52	1969.53
Investment in Mutual Funds (Contd.)				
Kotak Flexi Debt Plan A - Quarterly Dividend Nil (2013 - 2,51,23,350) Units of ₹ 10.00 each	–		25.14	
Kotak Floater Long Term - Growth Nil (2013 - 10,45,70,180) Units of ₹ 10.00 each	–		150.00	
Kotak Fixed Maturity Plan Series 94 - Growth Nil (2013 - 2,00,00,000) Units of ₹ 10.00 each	–		20.00	
L&T Fixed Maturity Plan Series 9 - Plan D - Dividend Payout 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
Reliance Dynamic Bond Fund - Quarterly Dividend Plan Reinvestment 2,40,51,908 (2013 - Nil) Units of ₹ 10.00 each		24.51		–
Reliance Fixed Horizon Fund - XXII - Series 14 - Dividend Plan Dividend Payout Nil (2013 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Reliance Fixed Horizon Fund - XXII - Series 21 - Dividend Plan Dividend Payout 2,00,00,000 Units of ₹ 10.00 each	20.00		20.00	
Reliance Fixed Horizon Fund - XXIV - Series 1 - Growth Plan 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Reliance Fixed Horizon Fund - XXII - Series 10 - Dividend Plan Dividend Payout Nil (2013 - 1,00,00,000) Units of ₹ 10.00 each	–		10.00	
Reliance Fixed Horizon Fund - XXIV - Series 18 - Growth Plan 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Reliance Fixed Horizon Fund - XXIV - Series 3 - Dividend Plan Dividend Payout 4,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	45.00		–	
Reliance Fixed Horizon Fund - XXV - Series 14 Growth Plan 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
Reliance Fixed Horizon Fund - XXV - Series 18 - Growth Plan 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
Reliance Fixed Horizon Fund - XXV - Series 2 - Dividend Plan Dividend Payout 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
Reliance Fixed Horizon Fund - XXV - Series 4 - Dividend Plan Dividend Payout 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
Reliance Fixed Horizon Fund - XXIII - Series 6 - Growth Plan Nil (2013 - 3,00,00,000) Units of ₹ 10.00 each	–		30.00	
Reliance Floating Rate Fund - Short Term Plan - Dividend Plan Dividend Payout 15,25,73,567 (2013 - Nil) Units of ₹ 10.00 each		152.57		–
Reliance Floating Rate Fund - Short Term Plan - Quarterly Dividend Plan Reinvestment Nil (2013 - 5,06,22,289) Units of ₹ 10.00 each		–		51.32
Reliance Interval Fund - Quarterly Plan - Series I - Dividend Plan Dividend Payout 3,99,15,379 (2013 - Nil) Units of ₹ 10.00 each	40.00		–	
Reliance Medium Term Fund - Quarterly Dividend Plan Dividend Reinvestment Nil (2013 - 4,80,38,202) Units of ₹ 10.00 each		–		52.84
Reliance Medium Term Fund - Dividend Plan Dividend Payout 5,58,13,715 (2013 - Nil) Units of ₹ 10.00 each		55.81		–
Reliance Money Manager Fund - Growth Plan Growth Option Nil (2013 - 2,18,184) Units of ₹ 1000.00 each		–		26.66
Reliance Quarterly Interval Fund - Series II - Dividend Plan Dividend Payout 2,99,58,657 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
Reliance Short Term Fund - Dividend Plan Dividend Payout 5,09,50,204 (2013 - Nil) Units of ₹ 10.00 each		51.45		–
Reliance Short Term Fund - Quarterly Dividend Plan Dividend Reinvestment Nil (2013 - 3,78,70,452) Units of ₹ 10.00 each		–		52.25
Carried over	3184.16	1946.48	2265.66	2152.60

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	3184.16	1946.48	2265.66	2152.60
Investment in Mutual Funds (Contd.)				
Reliance Yearly Interval Fund - Series 1 - Growth Plan 9,19,23,593 (2013 - Nil) Units of ₹ 10.00 each	100.00		–	
Reliance Yearly Interval Fund - Series 2 - Growth Plan 9,16,64,070 (2013 - Nil) Units of ₹ 10.00 each	100.00		–	
Reliance Yearly Interval Fund - Series 2 - Growth Plan Nil (2013 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
Reliance Yearly Interval Fund - Series 3 - Growth Plan Nil (2013 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
Reliance Yearly Interval Fund - Series 8 - Dividend Plan Dividend Payout 5,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	50.00		–	
SBI Debt Fund Series - 366 Days 30 - Dividend 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
SBI Debt Fund Series - 366 Days 31 - Dividend 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
SBI Debt Fund Series - 366 Days 47 - Dividend 4,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	45.00		–	
SBI Debt Fund Series - 366 Days 52 - Dividend 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
SBI Debt Fund Series - 366 Days 20 Dividend Nil (2013 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
SBI Debt Fund Series - 366 Days 22 - Growth Nil (2013 - 3,00,00,000) Units of ₹ 10.00 each	–		30.00	
SBI Debt Fund Series - 366 Days 7 - Dividend Nil (2013 - 4,50,00,000) Units of ₹ 10.00 each	–		45.00	
SBI Debt Fund Series - 366 Days 18 - Dividend Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
SBI Short Term Debt Fund - Fortnightly Dividend 4,98,78,389 (2013 - Nil) Units of ₹ 10.00 each		50.97		–
Sundaram Fixed Term Plan DC 15 Months Dividend Payout 1,50,00,000 Units of ₹ 10.00 each	15.00		15.00	
Sundaram Fixed Term Plan EW 366 Days Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
Sundaram Fixed Term Plan EY 366 Days Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
Sundaram Fixed Term Plan FB 369 Days Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
Sundaram Fixed Term Plan FF 366 Days Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
TATA Fixed Maturity Plan Series 42 Scheme I - Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
TATA Fixed Maturity Plan Series 45 Scheme C - Dividend 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
TATA Fixed Maturity Plan Series 45 Scheme D - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
TATA Fixed Maturity Plan Series 45 Scheme E - Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
TATA Fixed Maturity Plan Series 46 Scheme A - Dividend 4,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	45.00		–	
TATA Fixed Maturity Plan Series 46 Scheme B - Dividend 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
TATA Fixed Maturity Plan Series 46 Scheme I - Growth 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
Carried over	3729.16	1997.45	2470.66	2152.60

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	3729.16	1997.45	2470.66	2152.60
Investment in Mutual Funds (Contd.)				
TATA Fixed Maturity Plan Series 46 Scheme L - Growth 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
TATA Fixed Maturity Plan Series 46 Scheme P - Growth 1,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	15.00		–	
TATA Fixed Maturity Plan Series 46 Scheme S - Growth 1,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
TATA Fixed Maturity Plan Series 42 Scheme A - Growth Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
UTI - Fixed Income Interval Fund - Annual Interval Plan Series - II Growth Plan 60,59,504 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
UTI - Fixed Income Interval Fund - IV - Annual Interval Plan - Growth 61,89,268 (2013 - Nil) Units of ₹ 10.00 each	10.00		–	
UTI - Floating Rate Fund - Short Term Plan - Growth 10,52,280 (2013 - Nil) Units of ₹ 1000.00 each		209.00		–
UTI - Floating Rate Fund - Short Term Plan - Institutional Growth Option Nil (2013 - 2,48,309) Units of ₹ 1000.00 each		–		25.00
UTI - Short Term Income Fund - Institutional Option - Flexi Dividend Payout 5,06,50,712 (2013 - Nil) Units of ₹ 10.00 each		50.65		–
UTI Fixed Term Income Fund Series XIII - III (549 Days) - Quarterly Dividend Payout 2,50,00,000 Units of ₹ 10.00 each	25.00		25.00	
UTI Fixed Term Income Fund Series XIV - II (366 Days) - Growth Plan Nil (2013 - 3,00,00,000) Units of ₹ 10.00 each	–		30.00	
UTI Fixed Term Income Fund Series XIV - V (366 Days) - Growth Nil (2013 - 2,50,00,000) Units of ₹ 10.00 each	–		25.00	
UTI Fixed Term Income Fund Series XIV - VII (367 Days) - Growth Plan Nil (2013 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
UTI Fixed Term Income Fund Series XV - VI (368 Days) - Growth Plan 3,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	30.00		–	
UTI Fixed Term Income Fund Series XV - VII (369 Days) - Growth Plan 3,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	35.00		–	
UTI Fixed Term Income Fund Series XVI - VII (366 Days) - Growth Plan 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
UTI Fixed Term Income Fund Series XVII - I (369 Days) - Flexi Dividend Payout 4,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	45.00		–	
UTI Fixed Term Income Fund Series XVII - II (369 Days) - Flexi Dividend Payout 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
UTI Fixed Term Income Fund Series XVII - X (367 Days) - Growth Plan 2,00,00,000 (2013 - Nil) Units of ₹ 10.00 each	20.00		–	
UTI Fixed Term Income Fund Series XVII - XIII (369 Days) - Growth Plan 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
UTI Fixed Term Income Fund Series XVII - XVI (367 Days) - Growth Plan 2,50,00,000 (2013 - Nil) Units of ₹ 10.00 each	25.00		–	
UTI Fixed Term Income Fund Series XIII - I (368 Days) - Quarterly Dividend Payout Nil (2013 - 1,50,00,000) Units of ₹ 10.00 each	–		15.00	
UTI Fixed Term Income Fund Series XIV - I (366 Days) - Growth Plan Nil (2013 - 5,00,00,000) Units of ₹ 10.00 each	–		50.00	
UTI - Floating Rate Fund - Short Term Plan - Daily Dividend Reinvestment Nil (2013 - 18,68,048) Units of ₹ 1000.00 each		–		201.17
Aggregate amount of quoted and unquoted investments	4054.16	2257.10	2680.66	2378.77
Total Current investments		6311.26		5059.43

Aggregate market value of quoted investments ₹ 4207.64 Crores (2013 - ₹ 2805.40 Crores).

Aggregate excess of cost over fair value ₹ 177.96 Crores (2013 - ₹ 179.44 Crores).

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
14. Inventories		
(At lower of cost and net realisable value)		
Raw materials (including packing materials)	4560.54	3570.96
Work-in-progress	142.29	155.02
Finished goods (manufactured)	2000.28	2300.15
Stock-in-Trade (goods purchased for resale)	297.73	226.64
Stores and Spares	283.41	271.88
Intermediates - Tissue paper and Paperboards	75.29	75.55
TOTAL	7359.54	6600.20
The above includes goods in transit as under:		
Raw materials (including packing materials)	108.54	58.74
Stock-in-Trade (goods purchased for resale)	1.09	4.54
Stores and Spares	1.01	3.77
TOTAL	110.64	67.05
15. Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	1.26	1.35
Unsecured, considered good	31.44	23.96
Doubtful	34.60	28.68
	67.30	53.99
Less: Provision for doubtful receivables	34.60	28.68
	32.70	25.31
Others		
Secured, considered good	23.81	20.92
Unsecured, considered good	2108.85	1117.11
Doubtful	1.09	0.08
	2133.75	1138.11
Less: Provision for doubtful receivables	1.09	0.08
	2132.66	1138.03
TOTAL	2165.36	1163.34

Notes to the Financial Statements

	As at 31st March, 2014 (₹ in Crores)		As at 31st March, 2013 (₹ in Crores)	
16. Cash and bank balances				
Cash and cash equivalents [@]				
Balances with Banks				
Current accounts	104.68		94.14	
Deposit accounts	–		51.00	
Cheques, drafts on hand	13.45		7.25	
Cash on hand	<u>2.93</u>	121.06	<u>3.50</u>	155.89
Other bank balances				
Earmarked balances	113.67		96.31	
In deposit accounts *	<u>3054.64</u>	<u>3168.31</u>	<u>3362.80</u>	<u>3459.11</u>
TOTAL		<u>3289.37</u>		<u>3615.00</u>

[@] 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 ₹ 400.00 Crores (2013 - ₹ 300.00 Crores).

17. Short-term loans and advances				
Unsecured, considered good unless otherwise stated				
Loans and advances to Related Parties				
Security deposits	0.58		2.96	
Loans and advances				
Secured, considered good	44.53		17.81	
Unsecured, considered good	<u>13.87</u>	58.98	<u>23.46</u>	44.23
Others				
With Statutory authorities		491.54		258.84
Commercial advances and deposits				
Secured, considered good	4.50		4.50	
Unsecured, considered good	<u>150.26</u>	154.76	<u>157.00</u>	161.50
Other Loans and Advances (Employees, unexpired expenses etc.)		<u>78.23</u>		<u>47.57</u>
TOTAL		<u>783.51</u>		<u>512.14</u>

Loans and advances to Related Parties include loans to Directors and Company Secretary - Nil (2013 - ₹ 0.02 Crore) and deposit with Director - Nil (2013 - ₹ 0.04 Crore). Refer Note 33.

18. Other current assets				
Interest accrued on loans, deposits etc.		69.32		77.79
Interest accrued on investments		33.06		19.96
Deposits with financial institutions		750.00		425.00
Others *				
Unsecured, considered good	167.31		118.61	
Doubtful	<u>0.81</u>		<u>0.42</u>	
	168.12		119.03	
Less: Provision for doubtful assets	<u>0.81</u>	167.31	<u>0.42</u>	118.61
TOTAL		<u>1019.69</u>		<u>641.36</u>

* Others comprise receivables on account of export incentives, claims, interest, rentals, other receivables etc.

Notes to the Financial Statements

	For the year ended 31st March, 2014 (₹ in Crores)	For the year ended 31st March, 2013 (₹ in Crores)
19. Gross income		
Gross Revenue from sale of products and services*	46712.62	41809.82
Other operating revenue	356.04	295.69
Other income	1107.14	938.70
TOTAL	48175.80	43044.21
* Net of sales returns and damaged stocks.		
20. Gross Revenue from sale of products and services *		
FMCG		
– Cigarettes etc.	29076.48	25986.30
– Branded Packaged Food Products	5717.32	4720.58
– Others (Apparel, Education and Stationery Products, Personal Care Products, Safety Matches, Agarbattis etc.)	2394.66	2284.15
Hotels		
– Hotels Sales/Income from Hotel Services	1121.45	1062.08
Agri Business		
– Unmanufactured Tobacco	1780.97	1390.63
– Other Agri Products and Commodities (Wheat, Soya, Spices, Coffee, Aqua etc.)	3349.12	3632.38
Paperboards, Paper and Packaging		
– Paperboards and Paper	2843.97	2370.72
– Printed Materials	428.65	362.98
TOTAL	46712.62	41809.82
* Net of sales returns and damaged stocks.		
21. Revenue from operations		
Sale of products	45591.17	40747.74
Sale of services	1121.45	1062.08
Gross Revenue from sale of products and services*	46712.62	41809.82
Other operating revenue	356.04	295.69
	47068.66	42105.51
Less:		
Excise duty attributable to products sold	13830.06	12204.24
TOTAL	33238.60	29901.27
* Net of sales returns and damaged stocks.		

Notes to the Financial Statements

	For the year ended 31st March, 2014 (₹ in Crores)	For the year ended 31st March, 2013 (₹ in Crores)
22. Other income		
Interest income	412.77	355.48
Dividend income		
– Long-term investments		
– Subsidiary companies	208.81	112.70
– Other long-term investments	<u>8.46</u>	<u>11.26</u>
	217.27	123.96
– Current investments	<u>140.15</u>	<u>186.54</u>
	357.42	310.50
Gain on sale of long-term investments	–	121.62
Net gain on sale of current investments	329.44	146.02
Other non-operating income	7.51	5.08
TOTAL	<u>1107.14</u>	<u>938.70</u>
Interest income comprises interest from:		
a) Deposits with Banks/Financial Institutions	261.91	227.40
b) Current investments	108.24	72.14
c) Others (from customers, statutory authorities etc.)	42.62	55.94
23. Cost of materials consumed		
Unmanufactured Tobacco	1897.49	1734.32
Board, Film and Laminates	540.31	516.81
Filter Rods	349.95	326.94
Wheat	1420.15	968.38
Edible Oils	359.13	346.08
Sugar	266.27	306.47
Wheat Flour (Maida)	344.04	302.05
Waste Paper and Pulp	779.67	650.41
Chemicals and Fragrances	573.54	516.21
Hardwood and Bamboo	688.46	470.55
Coffee	413.97	439.73
Others (Hotel Consumables, Inks and Solvents, Skimmed Milk Powder, Packing Materials etc.)	2630.30	2358.26
TOTAL	<u>10263.28</u>	<u>8936.21</u>
24. Purchases of Stock-in-Trade		
Soya Seeds	404.33	970.22
Wheat	1276.28	1263.58
Safety Matches	249.72	260.06
Coffee	439.63	242.44
Others (Spices, Apparel, Agarbattis, Education and Stationery Products etc.)	651.51	639.62
TOTAL	<u>3021.47</u>	<u>3375.92</u>

Notes to the Financial Statements

	For the year ended 31st March, 2014 (₹ in Crores)			For the year ended 31st March, 2013 (₹ in Crores)		
25. Changes in inventories of finished goods, work-in-progress, Stock-in-Trade and Intermediates						
Finished goods (manufactured)						
Opening stock	2300.15			1429.22		
Closing stock	<u>2000.28</u>	299.87		<u>2300.15</u>	(870.93)	
Work-in-progress						
Opening stock	155.02			100.89		
Closing stock	<u>142.29</u>	12.73		<u>155.02</u>	(54.13)	
Stock-in-Trade (goods purchased for resale)						
Opening stock	226.64			211.75		
Closing stock	<u>297.73</u>	(71.09)		<u>226.64</u>	(14.89)	
Intermediates - Tissue paper and Paperboards						
Opening stock	75.55			79.67		
Closing stock	<u>75.29</u>	0.26	241.77	<u>75.55</u>	4.12	(935.83)
Excise duties on increase/(decrease) of finished goods			<u>(370.18)</u>			689.48
TOTAL			<u>(128.41)</u>			<u>(246.35)</u>
26. Employee benefits expense						
Salaries and wages			1355.14			1132.75
Contribution to Provident and other funds			115.21			126.72
Staff welfare expenses			161.74			147.89
			<u>1632.09</u>			<u>1407.36</u>
Less: Recoveries made/reimbursements received			23.72			20.35
TOTAL			<u>1608.37</u>			<u>1387.01</u>
27. Finance costs						
Interest expense [Refer Note 31 (xvii)]			2.95			65.97
Applicable net loss on foreign currency transactions and translations			—			20.50
TOTAL			<u>2.95</u>			<u>86.47</u>

Notes to the Financial Statements

	For the year ended 31st March, 2014 (₹ in Crores)	For the year ended 31st March, 2013 (₹ in Crores)
28. Other expenses		
Power and fuel	613.19	550.11
Consumption of stores and spare parts	237.29	219.31
Contract processing charges	717.58	585.89
Rent [Refer Note 31(vi)]	256.17	247.12
Rates and taxes [Refer Note 31(xvii)]	221.10	417.22
Insurance	39.96	30.88
Repairs		
– Buildings	47.57	46.96
– Machinery	155.12	136.33
– Others	42.30	33.21
Maintenance and upkeep	130.62	135.32
Outward freight and handling charges	769.19	876.11
Warehousing charges	93.15	62.20
Advertising/Sales promotion	795.89	806.65
Market research	57.20	65.06
Design and product development	37.64	25.28
Hotel reservation / Marketing expenses	28.08	27.92
Retail accessories	154.75	182.46
Brokerage and discount - sales	10.25	8.64
Commission to selling agents	36.16	34.00
Doubtful and bad debts	11.17	7.49
Doubtful and bad advances, loans and deposits	0.11	0.30
Bank and credit card charges	20.68	19.44
Information technology services	184.20	166.12
Travelling and conveyance	218.87	204.24
Training and development	19.61	22.71
Legal expenses	16.51	12.79
Consultancy/Professional fees	85.84	89.14
Postage, telephone etc.	25.33	25.07
Printing and stationery	16.47	14.91
Net loss/(gain) on foreign currency transactions and translations	78.22	(2.60)
Excess of carrying cost over fair value of current investments - Net	3.31	–
Excess of cost of current investments over fair value, reversed - Net	–	(25.80)
Loss on sale of fixed assets - Net	12.95	23.73
Loss on sale of stores and spare parts - Net	0.86	1.88
Miscellaneous expenses	881.71	770.88
TOTAL	6019.05	5820.97
Miscellaneous expenses include:		
(1) Auditors' remuneration and expenses *		
Audit fees	1.95	1.65
Tax audit fees	0.48	0.40
Fees for limited review	0.80	0.72
Fees for other services #	1.39	0.85
Reimbursement of expenses	0.44	0.42
(2) Cost auditors' fees	0.23	0.15

* Excluding taxes.

Includes remuneration for professional services rendered by firms of auditors in which some of the partners of the statutory auditors firm are partners ₹ 0.01 Crore (2013 - ₹ 0.01 Crore).

Notes to the Financial Statements

	For the year ended 31st March, 2014 (₹ in Crores)	For the year ended 31st March, 2013 (₹ in Crores)
29. Current tax		
Income tax for the year	3936.64	2989.06
Adjustments / (credits) related to previous years - Net	(145.51)	(54.27)
TOTAL	3791.13	2934.79

30. Deferred tax		
Deferred tax for the year	25.84	289.80
Adjustments / (credits) related to previous years - Net	56.93	41.20
TOTAL	82.77	331.00

31. Additional Notes to the Financial Statements

	2014	2013
(i) Earnings per share		
Earnings per share has been computed as under:		
(a) Profit for the year (₹ in Crores)	8785.21	7418.39
(b) Weighted average number of Ordinary shares outstanding	7,92,13,66,964	7,85,30,72,892
(c) Effect of potential Ordinary shares on Employee Stock Options outstanding	9,40,71,139	10,20,78,850
(d) Weighted average number of Ordinary shares in computing diluted earnings per share [(b)+(c)]	8,01,54,38,103	7,95,51,51,742
(e) Earnings per share on profit for the year (Face Value ₹ 1.00 per share)		
– Basic [(a)/(b)]	₹ 11.09	₹ 9.45
– Diluted [(a)/(d)]	₹ 10.96	₹ 9.33

(ii) Contingent liabilities and commitments:

(a) Contingent liabilities

Claims against the Company not acknowledged as debts ₹ 361.50 Crores (2013 - ₹ 466.54 Crores). These comprise:

- Excise duty, sales taxes and other indirect taxes claims disputed by the Company relating to issues of applicability and classification aggregating ₹ 254.99 Crores (2013 - ₹ 377.74 Crores).
- Local Authority taxes/cess/royalty on property, utilities etc. claims disputed by the Company relating to issues of applicability and determination aggregating ₹ 63.62 Crores (2013 - ₹ 45.16 Crores).
- Third party claims arising from disputes relating to contracts aggregating ₹ 37.36 Crores (2013 - ₹ 39.07 Crores).
- Other matters ₹ 5.53 Crores (2013 - ₹ 4.57 Crores).

It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

(b) Commitments

- Estimated amount of contracts remaining to be executed on capital accounts and not provided for ₹ 1528.10 Crores (2013 - ₹ 1656.29 Crores).
- Uncalled liability on shares partly paid ₹ 26.40 Crores (2013 - ₹ 26.40 Crores).

(iii) Research and Development expenses for the year amount to ₹ 117.18 Crores (2013 - ₹ 109.22 Crores).

Notes to the Financial Statements

31. Additional Notes to the Financial Statements (Contd.)

(iv) (a) Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2014 and recognised in the financial statements in respect of Employee Benefit Schemes:

		For the year ended 31st March, 2014 (₹ in Crores)			For the year ended 31st March, 2013 (₹ in Crores)		
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
		Funded		Unfunded	Funded		Unfunded
I	Components of Employer Expense						
	1 Current Service Cost	40.49	23.34	4.47	39.17	20.43	4.23
	2 Interest Cost	50.30	20.28	6.62	41.45	16.07	4.91
	3 Expected Return on Plan Assets	(53.30)	(20.34)	–	(44.84)	(17.82)	–
	4 Curtailment Cost/(Credit)	–	–	–	–	–	–
	5 Settlement Cost/(Credit)	–	–	–	–	–	–
	6 Past Service Cost	–	–	–	–	–	–
	7 Actuarial Losses/(Gains)	(7.96)	(4.01)	2.56	13.92	6.93	7.50
	8 Total expense recognised in the Statement of Profit and Loss	29.53	19.27	13.65	49.70	25.61	16.64
	The Pension and Gratuity expenses have been recognised in “Contribution to Provident and other funds” and Leave Encashment in “Salaries and wages” under Note 26.						
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
II	Actual Returns	36.97	17.99	–	59.77	21.91	–
III	Net Asset/(Liability) recognised in Balance Sheet						
	1 Present Value of Defined Benefit Obligation	571.88	249.86	76.09	612.41	237.87	69.86
	2 Fair Value of Plan Assets	583.78	226.99	–	600.65	225.13	–
	3 Status [Surplus/(Deficit)]	11.90	(22.87)	(76.09)	(11.76)	(12.74)	(69.86)
	4 Unrecognised Past Service Cost	–	–	–	–	–	–
	5 Net Asset / (Liability) recognised in Balance Sheet	11.90	(22.87)	(76.09)	(11.76)	(12.74)	(69.86)
	– Current	11.90	(22.87)	(10.12)	(11.76)	(12.74)	(8.55)
	– Non-current	–	–	(65.97)	–	–	(61.31)
IV	Change in Defined Benefit Obligation (DBO)						
	1 Present Value of DBO at the beginning of the year	612.41	237.87	69.86	533.19	211.49	58.62
	2 Current Service Cost	40.49	23.34	4.47	39.17	20.43	4.23
	3 Interest Cost	50.30	20.28	6.62	41.45	16.07	4.91
	4 Curtailment Cost/(Credit)	–	–	–	–	–	–
	5 Settlement Cost/(Credit)	–	–	–	–	–	–
	6 Plan Amendments	–	–	–	–	–	–
	7 Acquisitions	–	–	–	–	–	–
	8 Actuarial (Gains)/Losses	(24.29)	(6.36)	2.56	28.85	11.02	7.50
	9 Benefits Paid	(107.03)	(25.27)	(7.42)	(30.25)	(21.14)	(5.40)
	10 Present Value of DBO at the end of the year	571.88	249.86	76.09	612.41	237.87	69.86
V	Best Estimate of Employer’s Expected Contribution for the next year	67.85	30.27	–	57.64	40.89	–

Notes to the Financial Statements

31. Additional Notes to the Financial Statements (Contd.)

		For the year ended 31st March, 2014 (₹ in Crores)			For the year ended 31st March, 2013 (₹ in Crores)		
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
VI	Change in Fair Value of Assets						
1	Plan Assets at the beginning of the year	600.65	225.13	–	520.47	220.29	–
2	Acquisition Adjustment	–	–	–	–	–	–
3	Expected Return on Plan Assets	53.30	20.34	–	44.84	17.82	–
4	Actuarial Gains/(Losses)	(16.33)	(2.35)	–	14.93	4.09	–
5	Actual Company Contributions	53.19	9.14	–	50.66	4.07	–
6	Benefits Paid	(107.03)	(25.27)	–	(30.25)	(21.14)	–
7	Plan Assets at the end of the year	583.78	226.99	–	600.65	225.13	–

VII	Actuarial Assumptions						
1	Discount Rate (%)	9.00	9.00	9.00	8.00	8.00	8.00
2	Expected Return on Plan Assets (%)	9.00	9.00	–	8.00	8.00	–

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.

VIII	Major Category of Plan Assets as a % of the Total Plan Assets	As at 31st March, 2014	As at 31st March, 2013
1	Government Securities/Special Deposit with RBI	33.02%	28.84%
2	High Quality Corporate Bonds	26.60%	25.32%
3	Insurer Managed Funds*	29.26%	35.82%
4	Mutual Funds	2.25%	1.99%
5	Cash and Cash Equivalents	4.86%	5.03%
6	Term Deposits	3.65%	2.69%
7	Equity	0.36%	0.31%

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

IX	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.

		For the year ended 31st March, 2014 (₹ in Crores)			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)		
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
X	Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)															
1	Present Value of Defined Benefit Obligation	571.88	249.86	76.09	612.41	237.87	69.86	533.19	211.49	58.62	482.51	181.13	54.59	425.44	159.40	45.21
2	Fair Value of Plan Assets	583.78	226.99	–	600.65	225.13	–	520.47	220.29	–	479.85	207.08	–	401.35	184.32	–
3	Status [Surplus/(Deficit)]	11.90	(22.87)	(76.09)	(11.76)	(12.74)	(69.86)	(12.72)	8.80	(58.62)	(2.66)	25.95	(54.59)	(24.09)	24.92	(45.21)
4	Experience Adjustment of Plan Assets [Gain/(Loss)]	(4.22)	(0.09)	–	13.52	3.54	–	(4.14)	(0.43)	–	4.99	2.55	–	7.34	2.32	–
5	Experience Adjustment of obligation [(Gain)/Loss]	(20.35)	4.85	3.24	(34.52)	1.45	2.31	(18.06)	6.48	0.59	42.85	20.19	8.96	(12.56)	2.37	3.64

(b) Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and other funds" in Note 26: ₹ 66.41 Crores (2013 - ₹ 51.41 Crores).

Notes to the Financial Statements

31. Additional Notes to the Financial Statements (Contd.)

(v) Micro, Small and Medium scale business entities:

A sum of ₹ 23.25 Crores is payable to Micro and Small Enterprises as at 31st March, 2014 (2013 - ₹ 15.12 Crores). There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(vi) The Company'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 28.

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

	As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
Not later than one year	17.89	13.56
Later than one year and not later than five years	11.32	12.11
Later than five years	1.47	1.47

(vii) Interests in Joint Ventures:

The Company's interest, as a venturer, in jointly controlled entities (Incorporated Joint Ventures) is:

Name	Country of Incorporation	Percentage of ownership interests as at 31st March, 2014	Percentage of ownership interests as at 31st March, 2013
Maharaja Heritage Resorts Limited	India	25%	25%
Espirit Hotels Private Limited	India	26%	26%
Logix Developers Private Limited	India	26%	26%

The Company's interest in these Joint Ventures is reported as Long Term investments (Note 11) and stated at cost. However, the Company's share of each of the assets, liabilities, income and expenses, etc. (each without elimination of the effect of transactions between the Company and the Joint Venture) related to its interests in these Joint Ventures are:

	As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
I ASSETS		
Non-current assets		
1 Fixed assets	91.16	87.48
a) Tangible assets	44.94	44.94
b) Intangible assets	0.01	0.01
c) Capital work-in-progress - Tangible assets	46.21	42.53
2 Deferred tax assets (Net)	0.32	0.34
3 Long-term loans and advances	0.33	0.26
Current assets		
4 Current investments	0.19	0.19
5 Trade receivables	0.22	0.24
6 Cash and cash equivalents	0.14	0.12
7 Short-term loans and advances	0.01	0.02
8 Other current assets	-	...

Notes to the Financial Statements

31. Additional Notes to the Financial Statements (Contd.)

		As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
II	LIABILITIES		
	Non-current liabilities		
1	Long-term borrowings	23.92	22.52
2	Long-term provisions	0.01	0.01
	Current liabilities		
3	Trade payables	0.88	1.00
4	Other current liabilities	5.50	4.31
		For the year ended 31st March, 2014 (₹ in Crores)	For the year ended 31st March, 2013 (₹ in Crores)
III	INCOME		
1	Net Revenue from sale of products and services	0.81	0.80
2	Other operating revenue	0.04	0.09
3	Other income	0.03	0.28
IV	EXPENSES		
1	Employee benefits expense	0.55	0.50
2	Depreciation and amortisation expense	0.01	0.01
3	Other expenses	0.28	0.30
4	Tax expense	0.03	0.06
		As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
V	OTHER MATTERS		
1	Capital Commitments	8.89	8.77

(viii) Derivative Instruments:

The Company 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, 2014		As at 31st March, 2013	
		Buy	Sell	Buy	Sell
US Dollar	Indian Rupee	48.10	192.50	135.06	159.55
Euro	US Dollar	28.60	–	75.54	–
CHF	US Dollar	0.40	–	2.24	–
GBP	US Dollar	–	2.20	–	–
SEK	US Dollar	–	–	4.00	–
JPY	US Dollar	312.36	–	215.65	–

b) Currency option contracts outstanding as at year end:

(in Million)

Currency	Cross Currency	As at 31st March, 2014		As at 31st March, 2013	
		Buy	Sell	Buy	Sell
US Dollar	Indian Rupee	10.00	15.00	–	16.00
JPY	US Dollar	–	–	280.00	–

Notes to the Financial Statements

31. Additional Notes to the Financial Statements (Contd.)

c) Foreign 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, 2014			As at 31st March, 2013		
		Buy	Sell	Net*	Buy	Sell	Net*
US Dollar	Indian Rupee	62.76	62.70	0.06	33.22	35.92	(2.70)
Euro	US Dollar	2.91	2.46	0.45	2.96	2.88	0.08
GBP	US Dollar	0.38	0.87	(0.49)	1.75	1.87	(0.12)
JPY	US Dollar	5.46	–	5.46	–	–	–
SEK	US Dollar	0.77	–	0.77	0.74	–	0.74
CHF	US Dollar	0.11	–	0.11	–	–	–
SGD	US Dollar	0.50	–	0.50	0.01	–	0.01
CAD	US Dollar	–	0.11	(0.11)	0.08	0.19	(0.11)
AUD	US Dollar	–	0.10	(0.10)	0.08	–	0.08

Further, loan of Nil (2013 - USD 72 million) given to wholly owned subsidiary, WelcomHotels Lanka (Private) Limited, treated as a Net Investment in a Non-integral foreign operation, is unhedged.

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

- (ix) The Employee Stock Option Scheme section in the Report on Corporate Governance and the disclosure in respect of Employees Stock Options which are outlined in this year's Annexure to the Report of the Directors are treated as an annexure to these accounts.
- (x) The Board of Directors of the Company, at its meeting held on 28th August, 2013, proposed a Scheme of Arrangement under Sections 391 and 394 read with Sections 78, 80, 100 and other applicable provisions of the Companies Act, 1956, between its subsidiary, Wimco Limited ('Wimco') and the Company and their respective shareholders ('the Scheme') for demerger of the Non-Engineering business of Wimco to the Company on a going concern basis with effect from 1st April, 2013. The Members of the Company approved the Scheme on 24th March, 2014. The Hon'ble High Courts at Bombay and Calcutta have also sanctioned the Scheme on 10th April, 2014 and 14th May, 2014, respectively. Certified copies of the Orders from the Courts are awaited. The Scheme would become effective upon filing of such certified copies of the Orders with the respective Registrar of Companies. Pending this, the Scheme has not been given effect to in these financial statements.
- (xi) (a) Details of Opening and Closing Stock of Finished Goods (manufactured) and Stock-in-Trade (goods purchased for resale)

	As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
Opening Stock		
Cigarettes	1718.32	944.33
Branded Packaged Food Products	186.21	165.37
Agri Products / Commodities (Soya, Spices, Coffee, Aqua, Agri Inputs etc.)	127.36	117.88
Paperboards and Paper	89.33	62.33
Printed Materials	8.35	5.49
Others (Apparel, Education and Stationery Products, Personal Care Products, Safety Matches, Agarbattis etc.)	397.22	345.57
TOTAL	2526.79	1640.97
Closing Stock		
Cigarettes	1309.87	1718.32
Branded Packaged Food Products	212.14	186.21
Agri Products / Commodities (Soya, Spices, Coffee, Aqua, Agri Inputs etc.)	251.99	127.36
Paperboards and Paper	90.06	89.33
Printed Materials	6.94	8.35
Others (Apparel, Education and Stationery Products, Personal Care Products, Safety Matches, Agarbattis etc.)	427.01	397.22
TOTAL	2298.01	2526.79

Notes to the Financial Statements

31. Additional Notes to the Financial Statements (Contd.)

(b) Details of Opening and Closing Stock of Work-in-progress

	As at 31st March, 2014 (₹ in Crores)	As at 31st March, 2013 (₹ in Crores)
Opening Stock		
Branded Packaged Food Products	12.01	9.97
Paperboards and Paper	113.25	73.92
Printed Materials	21.30	11.67
Others (Apparel, Personal Care Products)	8.46	5.33
TOTAL	155.02	100.89
Closing Stock		
Branded Packaged Food Products	15.69	12.01
Paperboards and Paper	103.55	113.25
Printed Materials	15.83	21.30
Others (Apparel, Personal Care Products)	7.22	8.46
TOTAL	142.29	155.02

	For the year ended 31st March, 2014 (₹ in Crores)	For the year ended 31st March, 2013 (₹ in Crores)
(xii) Value of Imports during the year (C.I.F. Basis)		
Raw materials	1102.25	1121.10
Components and spare parts (including stores)	82.35	81.70
Capital goods	729.69	620.62
Other goods*	32.08	22.66
TOTAL	1946.37	1846.08

* Includes Goods purchased for resale, Packing Materials, Hotel Consumables and sundry items.

(xiii) Expenditure in Foreign Currency during the year

Professional fees	37.23	46.65
Hotel reservation / Marketing expenses	35.62	35.80
Export promotion expenses	6.70	5.20
Agency commission	8.33	6.82
Interest	—	4.94
Licence fees	2.99	2.26
Miscellaneous expenditure*	36.11	18.24
TOTAL	126.98	119.91

* Includes Advertisement / Sales promotion, Training, Subscription fees etc.

Notes to the Financial Statements

31. Additional Notes to the Financial Statements (Contd.)

(xiv) Value of Raw materials, Spare parts and Components consumed during the year

	(Percentage)		For the year ended 31st March, 2014 (₹ in Crores)	For the year ended 31st March, 2013 (₹ in Crores)
	2014	2013		
Raw materials (including packing materials)				
Imported	12.18	11.99	1249.66	1071.64
Indigenous	87.82	88.01	9013.62	7864.57
TOTAL	100.00	100.00	10263.28	8936.21
Spare parts and Components				
Imported	36.15	30.04	85.77	65.89
Indigenous	63.85	69.96	151.52	153.42
TOTAL	100.00	100.00	237.29	219.31

(xv) Dividend remittance in foreign currency

Year of Remittance	On Account of Financial Year	No. of Non-Resident Shareholders	No. of Shares held	(₹ in Crores)
2013/2014	2012/2013	53	2,43,74,10,523	1279.64
2012/2013	2011/2012	54	2,43,78,89,782	1097.05

(xvi) Earnings in foreign exchange during the year

	For the year ended 31st March, 2014 (₹ in Crores)	For the year ended 31st March, 2013 (₹ in Crores)
Export of Goods (F.O.B.)	3743.69	3205.32
Hotel earnings	496.41	549.51
Freight and Insurance recoveries	28.30	25.92
Interest	3.25	14.30
Dividend	13.05	5.57
Other earnings*	5.68	6.78
TOTAL	4290.38	3807.40

* Consist of finance and storage charges, Certified Emission Reduction (CER) credits and sundry recoveries.

(xvii) Liability for earlier years towards Rates and Taxes and Interest thereon of ₹ 157.91 Crores and ₹ 34.77 Crores respectively have been written back as no longer required, based on a favourable High Court Order (Refer Notes 27 and 28). Segment Results of FMCG-Cigarettes and Finance Costs include the effects of such write back (Refer Note 32).

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

Notes to the Financial Statements

32. Segment Reporting

PRIMARY SEGMENT INFORMATION (BUSINESS SEGMENTS)

(₹ in Crores)

	2014			2013		
	External Sales	Inter Segment Sales	Total	External Sales	Inter Segment Sales	Total
1. Segment Revenue						
FMCG - Cigarettes	29076.48	–	29076.48	25987.20	–	25987.20
FMCG - Others	8111.98	9.82	8121.80	7003.83	8.55	7012.38
FMCG - Total	37188.46	9.82	37198.28	32991.03	8.55	32999.58
Hotels	1121.45	11.40	1132.85	1062.08	12.31	1074.39
Agri Business	5130.09	2621.96	7752.05	5023.01	2177.72	7200.73
Paperboards, Paper and Packaging	3272.62	1893.42	5166.04	2733.70	1770.67	4504.37
Segment Total	46712.62	4536.60	51249.22	41809.82	3969.25	45779.07
Eliminations			(4536.60)			(3969.25)
Gross Revenue from sale of products and services			46712.62			41809.82
2. Segment Results						
FMCG - Cigarettes [Refer Note 31(xvii)]			10015.91			8325.94
FMCG - Others			21.82			(81.26)
FMCG - Total			10037.73			8244.68
Hotels			139.71			137.65
Agri Business			834.78			731.28
Paperboards, Paper and Packaging			892.46			963.95
Segment Total			11904.68			10077.56
Eliminations			(115.70)			(137.41)
Consolidated Total			11788.98			9940.15
Unallocated corporate expenses net of unallocated income			226.55			103.12
Profit before interest etc. and taxation			11562.43			9837.03
Finance costs [Refer Note 31(xvii)]			2.95			86.47
Interest earned on loans and deposits, income from current and long term investments, profit and loss on sale of investments etc. - Net			1099.63			933.62
Profit before tax			12659.11			10684.18
Tax expense			3873.90			3265.79
Profit for the year			8785.21			7418.39
3. Other Information						
	Segment Assets	Segment Liabilities*		Segment Assets	Segment Liabilities*	
FMCG - Cigarettes	7811.97	2106.49		6837.55	1884.15	
FMCG - Others	4216.13	832.60		3250.40	718.51	
FMCG - Total	12028.10	2939.09		10087.95	2602.66	
Hotels	3917.15	291.76		3742.94	283.04	
Agri Business	2908.63	856.19		1906.18	649.62	
Paperboards, Paper and Packaging	5863.48	544.40		5467.45	509.18	
Segment Total	24717.36	4631.44		21204.52	4044.50	
Unallocated Corporate Assets/Liabilities	14956.53	8780.43		13315.44	8187.61	
Total	39673.89	13411.87		34519.96	12232.11	
	Capital expenditure	Depreciation	Non Cash expenditure other than depreciation	Capital expenditure	Depreciation	Non Cash expenditure other than depreciation
FMCG - Cigarettes	799.81	256.38	0.15	544.84	236.26	6.29
FMCG - Others	461.10	143.16	11.74	364.64	125.45	10.17
FMCG - Total	1260.91	399.54	11.89	909.48	361.71	16.46
Hotels	282.86	125.48	4.90	395.57	102.65	3.81
Agri Business	84.35	37.63	1.77	90.45	33.44	1.28
Paperboards, Paper and Packaging	662.90	295.28	15.46	690.31	260.20	9.58
Segment Total	2291.02	857.93	34.02	2085.81	758.00	31.13

* Segment Liabilities of FMCG - Cigarettes is before considering ₹ 667.98 Crores (2013 - ₹ 840.55 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 Financial Statements

32. Segment Reporting (Contd.)

SECONDARY SEGMENT INFORMATION (GEOGRAPHICAL SEGMENTS)

(₹ in Crores)

	2014	2013
1. Segment Revenue		
– Within India	42667.06	38335.93
– Outside India	4045.56	3473.89
Total	46712.62	41809.82
2. Segment Assets		
– Within India	24715.09	21201.20
– Outside India	2.27	3.32
Total	24717.36	21204.52
3. Capital Expenditure		
– Within India	2291.02	2085.81
– Outside India	–	–
Total	2291.02	2085.81

NOTES:

- (1) The Company's corporate strategy aims at creating multiple drivers of growth anchored on its core competencies. The Company is currently focused on four business groups: FMCG, Hotels, Paperboards, Paper and Packaging and Agri Business. The Company'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, Smoking Mixtures etc.
	: 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.
- (3) The geographical segments considered for disclosure are:
 - Sales within India.
 - Sales outside India.
- (4) 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.
- (5) The Company'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.

Notes to the Financial Statements

33. Related Party Disclosures

1. ENTERPRISES WHERE CONTROL EXISTS:

i) Subsidiaries:

- a) Srinivasa Resorts Limited
 - b) Fortune Park Hotels Limited
 - c) Bay Islands Hotels Limited
 - d) WelcomHotels Lanka (Private) Limited, Sri Lanka
 - e) Landbase India Limited
 - f) Russell Credit Limited and its subsidiary
Greenacre Holdings Limited
 - g) Technico Pty Limited, Australia and its subsidiaries
Technico Agri Sciences Limited
Technico Technologies Inc., Canada
Technico Asia Holdings Pty Limited, Australia and its subsidiary
Technico Horticultural (Kunming) Co. Limited, China
 - h) Wimco Limited and its subsidiaries
Pavan Poplar Limited
Prag Agro Farm Limited
 - i) ITC Infotech India Limited and its subsidiaries
ITC Infotech Limited, UK
ITC Infotech (USA), Inc. and its subsidiary
Pyxis Solutions, LLC, USA
 - j) Wills Corporation Limited
 - k) Gold Flake Corporation Limited
 - l) ITC Investments & Holdings Limited
 - m) Surya Nepal Private Limited
 - n) King Maker Marketing, Inc., USA
 - o) BFIL Finance Limited and its subsidiary
MRR Trading & Investment Company Limited
 - p) North East Nutrients Private Limited (w.e.f. 06.02.2014)
- The above list does not include ITC Global Holdings Pte. Limited, Singapore (in liquidation)

ii) Other entities under control of the Company:

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

2. OTHER RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS

i) Associates & Joint Ventures:

Associates

- a) Gujarat Hotels Limited
- b) International Travel House Limited
- being associates of the Company, and
- c) Tobacco Manufacturers (India) Limited, UK
- of which the Company is an associate.

Associates of the Company's subsidiaries

- a) Russell Investments Limited
- b) Classic Infrastructure & Development Limited
- c) Divya Management Limited
- d) Antrang Finance Limited
- being associates of Russell Credit Limited, and
- e) ATC Limited
- being associate of Gold Flake Corporation Limited

Joint Ventures

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

Notes to the Financial Statements

33. Related Party Disclosures (Contd.)

Joint Venture of the Company's subsidiary

- a) ITC Essentra Limited (formerly known as ITC Filtrona Limited)
- being joint venture of Gold Flake Corporation Limited

ii) a) Key Management Personnel:

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 (upto 26.03.2014)
S. H. Khan	Non-Executive Director
A. V. Girija Kumar	Non-Executive Director
R. Lerwill	Non-Executive Director (w.e.f. 18.11.2013)
S. B. Mathur	Non-Executive Director
D. K. Mehrotra	Non-Executive Director (upto 27.10.2013)
H. G. Powell	Non-Executive Director (upto 30.07.2013)
P. B. Ramanujam	Non-Executive Director
S. S. H. Rehman	Non-Executive Director
A. Ruys	Non-Executive Director
B. Sen	Non-Executive Director (upto 27.08.2013)
M. Shankar	Non-Executive Director
K. Vaidyanath	Non-Executive Director
B. Vijayaraghavan	Non-Executive Director (upto 27.08.2013)

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:

- IATC Provident Fund
- IATC Staff X Provident Fund
- ITC Defined Contribution Pension Fund
- ITC Management Staff Gratuity Fund
- ITC Employees Gratuity Fund
- ITC Gratuity Fund 'C'
- ITC Pension Fund
- ILTD Seasonal Employees Pension Fund
- ITC Platinum Jubilee Pension Fund
- Tribeni Tissues Limited Gratuity Fund
- ITC Bhadrachalam Paperboards Limited Management Staff Pension Fund
- ITC Bhadrachalam Paperboards Limited Gratuity Fund 'A'
- ITC Bhadrachalam Paperboards Limited Gratuity Fund 'C'
- ITC Hotels Limited Employees Superannuation Scheme

Notes to the Financial Statements

33. Related Party Disclosures (contd.)

3. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS AT 31.03.2014

(₹ in Crores)

	RELATED PARTY TRANSACTIONS SUMMARY						Enterprises where control exists		Associates		Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Employee Trusts		Total			
	Subsidiaries		Others																			
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	
1.																						
2.	256.59	213.52	-	0.01	0.80	0.56	8.12	7.67												265.51	221.76	
3.	250.18	258.86			88.49	86.85	272.22	226.77												610.89	572.48	
4.	5.69	4.59																		5.69	4.59	
5.	1.12	-			0.88	0.44														2.00	0.44	
6A.	1.69	9.97					1.24	-												1.69	9.97	
6B.	85.40	30.00																		86.64	30.00	
7.	422.96	-																		422.96	-	
8.	15.81	27.13																		15.93	27.20	
- Directors ²																						
- Others																						
9.	6.49	3.42			0.47	0.40														23.38	16.60	
10.	8.17	9.26			3.37	3.67														8.31	6.86	
11.	1.57	1.37			3.66	3.47														0.04	0.04	
12.	11.52	11.86			4.32	3.48	1.18	1.08												0.04	0.63	
13.																				17.02	16.42	
14.																						
15.	208.81	112.70		1.70	0.73	0.69														100.99	83.35	
16.					1042.42	893.50														209.54	113.39	
17.	17.84	12.83			0.84	1.33														4.35	3.75	
18.	7.15	5.13			1.08	4.68														19.10	14.52	
19.	-	1179.20																		8.43	10.17	
20.	8.90	853.79																		0.27	0.17	
21.	5.66	6.77			0.02	-														9.17	853.96	
22.	27.15	8.07																		5.68	6.77	
23.	100.15	134.62																		27.15	8.07	
24.	116.79	110.96																		100.15	134.62	
25.					0.01	0.02														116.79	110.96	
26.	5.08	0.35																		0.01	0.02	
27.	5.00	-																		5.09	0.38	
28.																				5.02	-	
Balances as at 31st March																						
i) Receivables	34.86	33.73			1.00	0.95	3.44	3.92												39.30	38.60	
ii) Advances Given	1.95	23.44			0.02	-														13.87	23.44	
iii) Loans Given	130.52	530.27			0.10	0.10														11.90	-	
iv) Deposits Given	52.95	52.87			0.10	0.10														130.52	530.54	
v) Advance Taken	123.95	140.59			0.10	0.09														53.40	53.33	
vi) Deposits Taken					5.60	5.40	2.22	2.07												123.95	140.59	
vii) Payables	1.28	4.25																		0.10	0.09	
viii) Investment in Non-Convertible Debentures	15.00	15.00																		31.97	36.22	
29.	47.55	47.55																		15.00	15.00	
30.	2.82	2.48		0.19																47.55	47.55	
In addition, remuneration of managers on deputation, absorbed																				3.01	2.65	

¹ Unquoted investments purchased, at cost, during the year from subsidiary ₹ 1.69 Crores (2013 : quoted investment - ₹ 9.97 Crores. The market value of the quoted investment on the date of acquisition was ₹ 101.91 Crores).

² Includes ₹ 21.21 Crores (2013 - ₹ 0.06 Crore) attributable to remuneration of Directors which is subject to approval by the Company in General Meeting.

Notes to the Financial Statements

33. Related Party Disclosures (contd.)

4. INFORMATION REGARDING SIGNIFICANT TRANSACTIONS / BALANCES

(Generally in excess of 10% of the total transaction value of the same type)

RELATED PARTY TRANSACTIONS SUMMARY		2014	2013	RELATED PARTY TRANSACTIONS SUMMARY		2014	2013
1.	Sale of Goods/Services Surya Nepal Private Limited	229.43	185.94	13.	Donation ITC Rural Development Trust ITC Sangeet Research Academy	—	1.50 0.20
2.	Purchase of Goods/Services ITC Infotech India Limited Wimco Limited International Travel House Limited ITC Essentra Limited	111.88 133.66 66.19 271.98	108.61 145.57 65.50 226.57	14.	Contribution to Employees' Benefit Plans IATC Provident Fund ITC Defined Contribution Pension Fund ITC Pension Fund	23.44 13.14 47.12	18.66 9.65 45.49
3.	Acquisition Cost of Fixed Assets Wimco Limited	5.57	4.59	15.	Dividend Income Surya Nepal Private Limited Russell Credit Limited	128.49 65.00	103.33 —
4.	Sale of Fixed Assets/Scraps ATC Limited Srinivasa Resorts Limited	0.88 1.12	0.44 —	16.	Dividend Payments Tobacco Manufacturers (India) Limited, UK	1042.42	893.50
5.	Investments Purchased from Subsidiary Russell Credit Limited	1.69	9.97	17.	Expenses Recovered Surya Nepal Private Limited ITC Infotech India Limited Srinivasa Resorts Limited	3.04 9.06 3.32	0.35 8.16 2.27
6A.	Investment in Subsidiaries/Joint Ventures Landbase India Limited WelcomHotels Lanka (Private) Limited North East Nutrients Private Limited	50.00 24.02 11.38	30.00 — —	18.	Expenses Reimbursed Srinivasa Resorts Limited Landbase India Limited Wimco Limited	1.78 1.11 1.76	1.72 0.12 1.59
6B.	Conversion of Loan to Equity WelcomHotels Lanka (Private) Limited	422.96	—	19.	Loans Given ITC Infotech India Limited ¹ Russell Credit Limited ² WelcomHotels Lanka (Private) Limited ³	— — —	396.80 400.00 382.40
7.	Interest Income WelcomHotels Lanka (Private) Limited Surya Nepal Private Limited	3.25 12.56	14.30 12.83	20.	Receipt towards Loan Repayment ITC Infotech India Limited ¹ Russell Credit Limited ² Surya Nepal Private Limited	— — 8.90	453.79 400.00 —
8.	Remuneration to Key Management Personnel – Directors & Others Mr. Y. C. Deveshwar	13.68	9.93	21.	Advances Given during the year Wimco Limited	5.66	6.67
9.	Rent Received Srinivasa Resorts Limited ITC Infotech India Limited Surya Nepal Private Limited International Travel House Limited	1.64 2.36 2.42 0.47	1.93 1.42 0.40	22.	Adjustment/Receipt towards Refund of Advances Wimco Limited	27.15	7.97
10.	Rent Paid Bay Islands Hotels Limited Wimco Limited Gujarat Hotels Limited Russell Credit Limited Technico Agri Sciences Limited	1.46 4.24 3.37 0.36 1.04	1.43 4.21 3.67 1.61 1.04	23.	Advances Received during the Year Surya Nepal Private Limited	100.15	134.62
11.	Remuneration of Managers on Deputation reimbursed Bay Islands Hotels Limited Gujarat Hotels Limited	1.17 3.42	1.13 3.22	24.	Adjustment/Payment towards Refund of Advances Surya Nepal Private Limited	116.79	110.96
12.	Remuneration of Managers on Deputation recovered Srinivasa Resorts Limited Fortune Park Hotels Limited ITC Infotech India Limited ATC Limited	3.88 2.91 3.06 3.14	3.73 3.08 3.37 2.55	25.	Deposit Received during the Year International Travel House Limited	0.01	0.02
				26.	Deposits Given during the Year Wimco Limited Srinivasa Resorts Limited	— 5.00	0.35 —
				27.	Adjustment/Receipt towards Refund of Deposits Srinivasa Resorts Limited	5.00	—

(₹ in Crores)

RELATED PARTY TRANSACTIONS SUMMARY		2014	2013
28.	Balances as at 31st March		
i)	Receivables Surya Nepal Private Limited WelcomHotels Lanka (Private) Limited	29.57 —	13.92 14.22
ii)	Advances Given Employees Trust - Pension Funds Wimco Limited	11.90 1.95	— 23.44
iii)	Loans Given Surya Nepal Private Limited ⁴ BFL Finance Limited ⁵ WelcomHotels Lanka (Private) Limited ³	97.97 32.55 —	106.88 390.84
iv)	Deposits Given Wimco Limited ⁶ Russell Credit Limited ⁷ Greenacre Holdings Limited ⁸ Wills Corporation Limited ⁹	50.35 0.12 2.24 0.24	50.35 0.12 2.20 0.20
v)	Advance Taken Surya Nepal Private Limited	123.95	140.59
vi)	Deposits Taken International Travel House Limited	0.10	0.09
vii)	Payables Employees Trust - Pension Funds Employees Trust - Gratuity Funds International Travel House Limited ITC Essentra Limited Wimco Limited	— 22.87 3.13 2.22 0.60	11.76 12.74 4.30 2.07 3.34
viii)	Investment in Non-Convertible Debentures BFL Finance Limited	15.00	15.00
29.	Provision for Subsidiary as at 31st March BFL Finance Limited - Debts	47.55	47.55
30.	In addition, Remuneration of Managers on Deputation, absorbed ITC Infotech India Limited Landbase India Limited Technico Agri Sciences Limited	0.84 1.11 0.87	0.63 1.06 0.80

- Interest free, repayable on demand. The maximum indebtedness during the year was Nil (2013 - ₹ 95.25 Crores)
- Interest free. The maximum indebtedness during the year was Nil (2013 - ₹ 400.00 Crores)
- Interest bearing. The maximum indebtedness during the year was US\$ 72 Million (2013 - US\$ 72 Million)
- Interest bearing. The maximum indebtedness during the year was ₹ 106.88 Crores
- Interest free. The maximum indebtedness during the year was ₹ 32.55 Crores (2013 - ₹ 32.55 Crores)
- The maximum indebtedness during the year was ₹ 50.35 Crores (2013 - ₹ 50.35 Crores)
- The maximum indebtedness during the year was ₹ 0.12 Crore (2013 - ₹ 0.12 Crore)
- The maximum indebtedness during the year was ₹ 2.24 Crores (2013 - ₹ 2.20 Crores)
- The maximum indebtedness during the year was ₹ 0.24 Crore (2013 - ₹ 0.20 Crore)

Notes to the Financial Statements

34. Significant Accounting Policies

IT IS 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 Company'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, including in Joint Ventures and Associates, at cost. Where applicable, provision is made to recognise a decline, other than temporary, in valuation of Long Term Investments.

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 recognise 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 Company. 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.

Proposed Dividend

To provide for Dividends (including income tax thereon) in the books of account 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 including any shortfall in interest between

Notes to the Financial Statements

34. Significant Accounting Policies (Contd.)

the amount of interest realised by the investment and the interest payable to members at the rate declared by the Government of India. 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 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 Transactions

To account for transactions in foreign currency at the exchange rate prevailing on the date of transactions. Gains/Losses arising on settlement of such transactions as also the translation of monetary items at period ends due to fluctuations in the exchange rates are recognised in the Statement of Profit and Loss.

To account for differences between the forward exchange rates and the exchange rates at the inception of forward exchange contracts (other than those designated as cash

flow hedges), as income or expense over the life of the contracts.

To account for gains/losses arising on cancellation or renewal of forward exchange contracts (other than those designated as cash flow hedges) as income/expense for the period.

To apply the principles of hedge accounting as set out in Accounting Standard - 30 "Financial Instruments: Recognition and Measurement" to those forward exchange contracts and currency options that are designated as cash flow hedges and, accordingly, to account for the changes in the fair value of such contracts, to the extent that they are effective, directly in the Hedging Reserve Account, and to take the ineffective portion to the Statement of Profit and Loss. To recognize in the Statement of Profit and Loss the balance in the Hedging Reserve Account when the hedged item affects the profit or loss.

To recognise the net mark to market losses in the Statement of Profit and Loss on the outstanding portfolio of forward exchange contracts and currency options, other than those designated as cash flow hedges, as at the Balance Sheet date, and to ignore the net gain, if any.

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.

Claims

To disclose claims against the Company 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*

New Delhi
23rd May, 2014