

Notes to the Financial Statements

	As at 31st March, 2015 (No. of Shares)	As at 31st March, 2015 (₹ in Crores)	As at 31st March, 2014 (No. of Shares)	As at 31st March, 2014 (₹ 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	8,01,55,19,541	801.55	7,95,31,82,950	795.32
A) Reconciliation of number of Ordinary Shares outstanding				
As at beginning of the year	7,95,31,82,950	795.32	7,90,18,33,110	790.18
Add: Issue of Shares on exercise of Options	6,22,48,830	6.22	5,13,49,840	5.14
Add: Issue of Shares pursuant to the Scheme of Arrangement [Refer Note 31(x)(c)]	87,761	0.01	—	—
As at end of the year	8,01,55,19,541	801.55	7,95,31,82,950	795.32
B) Shareholders holding more than 5% of the Ordinary Shares in the Company				
	As at 31st March, 2015 (No. of Shares)	As at 31st March, 2015 %	As at 31st March, 2014 (No. of Shares)	As at 31st March, 2014 %
Tobacco Manufacturers (India) Limited	1,98,55,64,880	24.77	1,98,55,64,880	24.96
Life Insurance Corporation of India	1,15,50,35,797	14.41	1,10,28,29,844	13.87
Specified Undertaking of the Unit Trust of India	89,67,24,540	11.19	89,67,24,540	11.28
C) Ordinary Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding 31st March				
	2015 (No. of Shares)	2014 (No. of Shares)		
Shares issued in 2014-15 pursuant to the Scheme of Arrangement [Refer Note 31(x)(c)]	87,761	—		
D) Ordinary Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31st March				
	2015 (No. of Shares)	2014 (No. of Shares)		
Bonus Shares issued in 2010-11	3,82,67,01,530	3,82,67,01,530		
E) 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.				
F) Shares reserved for issue under Options				
	As at 31st March, 2015 (No. of Shares)	As at 31st March, 2014 (No. of Shares)		
Ordinary Shares of ₹ 1.00 each	26,93,51,410	26,58,13,470		
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 erstwhile 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, 2015 (₹ in Crores)	As at 31st March, 2014 (₹ 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	4162.18	3476.24
Add: On issue of Shares	972.57	685.94
At the end of the year	5134.75	4162.18
Revaluation Reserve		
At the beginning of the year	52.41	52.75
Less: Depreciation	—	0.29
On disposal of Fixed Assets	—	0.05
At the end of the year	52.41	52.41
Contingency Reserve		
At the beginning and at the end of the year	363.05	363.05
General Reserve		
At the beginning of the year	14686.31	13806.31
Less: Pursuant to the Scheme of Arrangement [Note 31(x)(d)]	91.00	—
Add: Transfer from Surplus in Statement of Profit and Loss	970.00	880.00
At the end of the year	15565.31	14686.31
Foreign Currency Translation Reserve		
At the beginning of the year	40.55	8.44
Add: Exchange differences during the year	—	32.11
At the end of the year	40.55	40.55
Hedging Reserve		
At the beginning of the year	20.33	—
Add/(Less): Net movement, being gain on hedging instruments, designated and effective as hedges and transfers to statement of profit and loss on occurrence of forecasted hedge transactions	(18.66)	30.80
Less: Deferred Tax	(6.27)	10.47
At the end of the year	7.94	20.33
Surplus in Statement of Profit and Loss		
At the beginning of the year	6139.09	3788.10
Less: Loss for the period from 1st April, 2013 to 31st March, 2014 adjusted pursuant to the Scheme of Arrangement [Refer Note 31(x)]	8.01	—
Add: Unrecognised Net Deferred Tax assets as on 1st April, 2013 adjusted pursuant to the Scheme of Arrangement [Refer Note 31(x)]	45.84	—
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on Tangible Fixed Assets (Net of Deferred Tax ₹ 24.88 Crores) [Refer Note 31(xi)]	48.32	—
Add: Profit for the year	9607.73	8785.21
Less: Transfer to General Reserve	970.00	880.00
Proposed Dividend [₹ 6.25 (2014 - ₹ 6.00) per share]	5009.70	4771.91
Income Tax on Proposed Dividend		
— Current year	1019.86	810.99
— Earlier year's provision no longer required	(30.58)	(28.68)
At the end of the year	8767.35	6139.09
TOTAL	29934.14	25466.70

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)	As at 31st March, 2014 (₹ in Crores)		
3. Long-term borrowings				
Unsecured				
Term loans				
– From Banks	–	–		
– From Related Parties	–	–		
Deferred payment liabilities				
Sales tax deferment loans	38.69	51.00		
TOTAL	38.69	51.00		
Term loans				
From Banks				
Repayable in equated periodic instalments upto a 5 year period from the date of respective loan. These were repaid during financial year 2014 -15 and carry an interest of 11.25% p.a.				
From Subsidiaries				
Interest Free Loan from a subsidiary company taken over pursuant to the Scheme of Arrangement – ₹ 2.00 Crores, repayable in March, 2016 [Refer Note 31(x)].				
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)	2.00	12.31	0.02	15.38
Current maturities of long-term debt	2.00	12.31	0.02	15.38
In the second year	–	12.86	–	12.31
In the third to fifth year	–	17.94	–	27.56
After five years	–	7.89	–	11.13
Long-term borrowings	–	38.69	–	51.00
4. Deferred tax liabilities (Net)				
Deferred tax liabilities				
On fiscal allowances on fixed assets		1570.30		1356.73
On excise duty on closing stock		513.00		365.21
Other timing differences		16.04		19.52
		2099.34		1741.46
Deferred tax assets				
On employees' separation and retirement etc.		83.01		67.29
On provision for doubtful debts/advances		23.40		14.60
On State and Central taxes etc.		312.54		318.60
Other timing differences		48.79		44.01
		467.74		444.50
TOTAL		1631.60		1296.96
5. Other Long term liabilities				
Sundry deposits		0.02		0.02
Others		7.03		5.07
(Includes retention monies payable towards fixed assets)				
TOTAL		7.05		5.09

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)	As at 31st March, 2014 (₹ in Crores)
6. Long-term provisions		
Provision for employee benefits		
Retirement benefits	64.04	65.97
Other benefits	36.68	44.03
TOTAL	100.72	110.00
7. Short-term borrowings		
Secured		
Loans from Banks		
Cash credit facilities	0.02	0.14
TOTAL	0.02	0.14
Cash credit facilities are secured by hypothecation of inventories of the Company, both present and future.		
8. Other current liabilities		
Current maturities of long-term debt (Note 3)	14.31	15.40
Interest accrued but not due on borrowings	0.02	0.02
Unpaid dividend*	134.50	113.28
Unpaid matured deposits and interest accrued thereon
Unpaid matured debentures / bonds and interest accrued thereon**	0.32	0.32
Sundry deposits	44.91	40.64
Other payables	3477.12	3462.22
TOTAL	3671.18	3631.88
* Represents dividend amounts either not claimed or kept in abeyance in terms of Section 126 of the Companies Act, 2013/ 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 (2014 - ₹ 0.30 Crore) maintained with a bank for which the Company has filed a suit.		
Other payables comprise:		
Payables for fixed assets	253.19	319.58
Statutory liabilities	2334.58	2415.57
Advances received from customers	639.75	521.64
Others	249.60	205.43
TOTAL	3477.12	3462.22
9. Short-term provisions		
Current portion of long-term employee benefits		
Retirement benefits	51.65	32.99
Other benefits	23.33	41.30
Current taxation (net of advance payment)	—	225.97
Fringe benefit tax (net of advance payment)	1.55	1.55
Proposed dividend	5009.70	4771.91
Income tax on proposed dividend	1019.86	810.99
TOTAL	6106.09	5884.71

Notes to the Financial Statements

(₹ in Crores)

10. Fixed assets

Gross Block

Particulars	As at 31st March, 2013 ¹	Additions	Withdrawals and adjustments	As at 31st March, 2014 ¹	Pursuant to the Scheme of Arrangement ⁷	Additions	Withdrawals and adjustments	As at 31st March, 2015 ¹
Tangible assets								
Land								
Freehold ²	1052.25	36.95	0.02	1089.18	69.46	148.73	–	1307.37
Leasehold ³	227.74	15.05	1.44	241.35	2.47	49.11	3.71	289.22
Buildings								
Freehold ⁴	3562.23	311.12	0.39	3872.96	40.22	527.58	9.63	4431.13
Licensed Properties - Building Improvement	56.56	9.10	6.86	58.80	–	5.35	4.27	59.88
Plant and Equipment	10925.17	1276.84	107.26	12094.75	56.64	1927.12	79.07	13999.44
Furniture and Fixtures	644.35	48.20	9.03	683.52	3.88	84.61	14.97	757.04
Vehicles	97.33	19.40	11.06	105.67	1.31	17.78	10.21	114.55
Office Equipment	21.03	5.60	(0.77)	27.40	0.88	5.11	3.22	30.17
Railway Sidings etc.	1.72	1.38	1.13	1.97	–	–	–	1.97
	16588.38	1723.64	136.42	18175.60	174.86	2765.39	125.08	20990.77
Capital work-in-progress ⁸	1472.80	2479.57	1679.43	2272.94	–	2506.23	2693.68	2085.49
TOTAL	18061.18	4203.21	1815.85	20448.54	174.86	5271.62	2818.76	23076.26
Intangible assets (acquired)								
Goodwill	4.90	–	–	4.90	–	–	–	4.90
Trademarks ⁵	6.04	–	–	6.04	–	337.98	–	344.02
Computer Software	272.07	13.81	0.54	285.34	2.89	27.65	11.34	304.54
Know-how, Business and Commercial Rights ⁶	72.99	–	–	72.99	–	9.75	–	82.74
	356.00	13.81	0.54	369.27	2.89	375.38	11.34	736.20
Intangible assets under development	14.99	21.50	13.70	22.79	–	371.76	365.90	28.65
TOTAL	370.99	35.31	14.24	392.06	2.89	747.14	377.24	764.85

The above includes following assets given on operating lease:

Particulars	As at 31st March, 2015			2015	As at 31st March, 2014			2014
	Gross Block	Accumulated Depreciation	Net Block	Depreciation Charge for the year	Gross Block	Accumulated Depreciation	Net Block	Depreciation Charge for the year
Buildings	9.12	5.98	3.14	0.77	9.12	5.21	3.91	0.43
Plant and Equipment	371.49	242.24	129.25	14.54	295.49	186.90	108.59	15.32
TOTAL	380.61	248.22	132.39	15.31	304.61	192.11	112.50	15.75

Notes to the Financial Statements

(₹ in Crores)

10. Fixed assets (Contd.)	Depreciation and Amortisation								Net Book Value			
Particulars	Upto 31st March, 2013	For the year	On Withdrawals and adjustments	Upto 31st March, 2014	Pursuant to the Scheme of Arrangement ⁷	Transition Adjustment recorded against surplus balance in Statement of Profit and Loss	For the year	On Withdrawals and adjustments	Upto 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2013
Tangible assets												
Land												
Freehold ²	–	–	–	–	–	–	–	–	–	1307.37	1089.18	1052.25
Leasehold ³	11.46	1.85	0.07	13.24	2.47	–	2.21	0.17	17.75	271.47	228.11	216.28
Buildings												
Freehold ⁴	489.09	81.45	0.60	569.94	36.18	30.26	104.98	3.53	737.83	3693.30	3303.02	3073.14
Licensed Properties - Building Improvement	31.68	7.00	5.92	32.76	–	–	6.70	3.62	35.84	24.04	26.04	24.88
Plant and Equipment	4600.85	716.13	80.90	5236.08	40.57	32.95	720.81	67.97	5962.44	8037.00	6858.67	6324.32
Furniture and Fixtures	301.44	42.55	7.30	336.69	3.03	7.10	68.90	10.85	404.87	352.17	346.83	342.91
Vehicles	26.87	9.65	5.32	31.20	0.80	0.50	14.50	5.96	41.04	73.51	74.47	70.46
Office Equipment	7.39	1.38	1.88	6.89	0.58	2.39	5.31	1.55	13.62	16.55	20.51	13.64
Railway Sidings etc.	1.05	0.10	1.04	0.11	–	–	0.13	–	0.24	1.73	1.86	0.67
	5469.83	860.11	103.03	6226.91	83.63	73.20	923.54	93.65	7213.63	13777.14	11948.69	11118.55
Capital work-in-progress ⁸	–	–	–	–	–	–	–	–	–	2085.49	2272.94	1472.80
TOTAL	5469.83	860.11	103.03	6226.91	83.63	73.20	923.54	93.65	7213.63	15862.63	14221.63	12591.35
Intangible assets (acquired)												
Goodwill	4.90	–	–	4.90	–	–	–	–	4.90	–	–	–
Trademarks ⁵	6.01	0.01	–	6.02	–	–	4.78	–	10.80	333.22	0.02	0.03
Computer Software	196.29	34.15	0.09	230.35	2.74	–	31.40	11.31	253.18	51.36	54.99	75.78
Know-how, Business and Commercial Rights ⁶	58.01	5.94	–	63.95	–	–	2.02	–	65.97	16.77	9.04	14.98
	265.21	40.10	0.09	305.22	2.74	–	38.20	11.31	334.85	401.35	64.05	90.79
Intangible assets under development	–	–	–	–	–	–	–	–	–	28.65	22.79	14.99
TOTAL	265.21	40.10	0.09	305.22	2.74	–	38.20	11.31	334.85	430.00	86.84	105.78

- Original Cost / Professional Valuation as at 30th June, 1986.
- Land Freehold includes certain lands at Munger with Gross Block - ₹ 1.16 Crores (2014 - ₹ 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 ₹ 1055.24 Crores (2014 - ₹ 998.76 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 ₹ 82.74 Crores (2014 - ₹ 72.99 Crores):-
 - ₹ 69.72 Crores (2014 - ₹ 59.97 Crores) acquired during the year and in earlier years are being amortised over 10 years.
 - ₹ 8.05 Crores (2014 - ₹ 8.05 Crores) acquired in earlier years and have been amortised over 5 years.
 - ₹ 4.97 Crores (2014 - ₹ 4.97 Crores) acquired in earlier years and have been amortised over 4 years.
- Taken over pursuant to the Scheme of Arrangement [Refer Note 31(x)]. These represent the Gross Block and Depreciation and Amortisation on Tangible and Intangible Assets acquired as at 1st April, 2013 and movements during the year 2013-14.
- Includes ₹ 515.44 Crores paid in 2014-15 to IFCI Limited as consideration for the purchase of a luxury beach resort in South Goa operating under the name Park Hyatt Goa Resort & Spa, on being the successful bidder. IFCI Limited have issued requisite Sale Certificates in favour of the Company. The erstwhile owners of the property have thereafter challenged the sale. The matter is pending before the Honourable Bombay High Court.
- In accordance with the requirements of the Companies Act, 2013, the Company has discontinued the policy of charging Revaluation Reserve account with annual depreciation on that portion of the value which is written up. Depreciation for the year includes Nil (2014 - ₹ 0.29 Crore) transferred from Revaluation Reserve in respect of revalued assets.

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	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ 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 12,00,00,000 (2014 - 9,20,00,000) Equity Shares of ₹ 10.00 each, fully paid		128.57		100.57
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 (Adjusted pursuant to the Scheme of Arrangement [Refer Note 31(x)]) 18,50,81,193 Equity Shares of ₹ 1.00 each, fully paid		2.83		116.02
Technico Pty Limited 2,26,06,065 Ordinary Shares with no par value		108.72		108.72
WelcomHotels Lanka (Private) Limited 10,63,08,150 (2014 - 10,11,72,150) Shares with no par value		486.97		462.91
ITC Investments & Holdings Limited 45,00,000 Equity Shares ₹ 10.00 each, fully paid		4.50		4.50
North East Nutrients Private Limited 4,81,33,333 (2014 - 1,14,00,000) Equity Shares ₹ 10.00 each, fully paid		48.13		11.40
Pavan Poplar Limited 55,10,004 (2014 - Nil) Equity Shares of ₹ 10.00 each, fully paid (cost ₹ 5.99 Crores, fully provided) (Acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)])		—		—
Prag Agro Farm Limited 38,00,020 (2014 - Nil) Equity Shares of ₹ 10.00 each, fully paid (cost ₹ 3.82 Crores, fully provided) (Acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)])		—		—
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	
Carried over	2.59	1583.73	2.59	1608.13

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	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
11. Non-current investments (at cost unless stated otherwise) (Contd.)				
Brought forward	2.59	1583.73	2.59	1608.13
TRADE INVESTMENTS (Contd.)				
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 77,66,913 (2014 - 70,51,003) Equity Shares of ₹ 10.00 each, fully paid		41.95		38.08
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 (Adjusted pursuant to the Scheme of Arrangement [Refer Note 31(x)]) 50,00,000 Zero Coupon Redeemable Preference Shares of ₹ 100.00 each, fully paid		—		50.00
Landbase India Limited 1,87,00,000 Redeemable Preference Shares of ₹ 100.00 each, fully paid		187.00		187.00
INVESTMENT IN DEBENTURES				
In Subsidiaries				
BFIL Finance Limited 15,00,000 - 18.5% Non - Convertible Debentures of ₹ 100.00 each, renewed at 9% (2014 - 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 13,072 (2014 - 13,050) Equity Shares of ₹ 10.00 each, fully paid (22 Equity Shares acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)])		0.01		0.01
Mirage Advertising and Marketing Limited 12,488 (2014 - Nil) Equity Shares of ₹ 10.00 each, fully paid (cost ₹ 0.01 Crore, fully provided) (Acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)])		—		—
Bilaspur Cane Development Corporation Limited 100 (2014 - Nil) Equity Shares of ₹ 10.00 each fully paid (cost ₹ 1000.00) (Acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)])		—		—
Carried over	579.17	1862.46	579.17	1932.99

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
11. Non-current investments (at cost unless stated otherwise) (Contd.)				
Brought forward	579.17	1862.46	579.17	1932.99
OTHER INVESTMENTS (Contd.)				
INVESTMENT IN GOVERNMENT OR TRUST SECURITIES				
Government Securities (cost ₹ 74000.00)		0.01		0.01
National savings certificates (pledged with various Mandi Samitis) (cost ₹ 6000.00) (Acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)])		...		—
Aggregate amount of quoted and unquoted Investments	579.17	1862.47	579.17	1933.00
Total Non-current investments		2441.64		2512.17

Aggregate market value of quoted investments ₹ 1045.15 Crores (2014 - ₹ 732.55 Crores).

Aggregate provision for diminution in value ₹ 71.59 Crores (2014 - ₹ 61.77 Crores).

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
12. Long-term loans and advances				
Capital advances				
Unsecured, considered good		391.46		361.84
Security deposits				
Unsecured, considered good	729.50		670.08	
Doubtful	2.96		3.05	
	<u>732.46</u>		<u>673.13</u>	
Less: Provision for doubtful deposits	<u>2.96</u>	729.50	<u>3.05</u>	670.08
Loans and advances to Related Parties				
Security deposits - unsecured, considered good	2.90		52.82	
Loans and advances - secured, considered good	—		53.44	
Loans and advances - doubtful	40.95		32.55	
	<u>43.85</u>		<u>138.81</u>	
Less: Provision for doubtful loans and advances	<u>40.95</u>	2.90	<u>32.55</u>	106.26
Other loans and advances (Comprise loans to employees, prepaid expenses, advances with statutory authorities etc.)				
Unsecured, considered good	341.00		341.84	
Doubtful	17.56		16.62	
	<u>358.56</u>		<u>358.46</u>	
Less: Provision for doubtful loans and advances	<u>17.56</u>	341.00	<u>16.62</u>	341.84
Advance Tax (net of provisions)		41.50		—
TOTAL		1506.36		1480.02

Loans and advances to Related Parties include deposit with Director - Nil (2014 - ₹ 0.05 Crore) [Refer Note 33].

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ 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 Redeemable Non-Convertible Non-Participative Preference Shares (20 April 2018) of ₹ 10000000.00 each, fully paid		214.85		185.76
Investment in Bonds				
Export Import Bank of India 300 (2014 - Nil) 9.15% Unsecured Non-Convertible Bonds Series P-16 (05 September 2022) of ₹ 1000000.00 each, fully paid		31.43		—
Indian Railway Finance Corporation Limited 10,000 6.30% Secured Non-Convertible Tax Free Bonds in the form of Promissory Notes 68th 'A' Series (08 March 2017) of ₹ 100000.00 each, fully paid	95.54			94.95
10,00,000 7.18% Tax Free Non-Cumulative Non-Convertible Redeemable Bonds in the nature of Debentures 86th Series (19 February 2023) of ₹ 1000.00 each, fully paid	93.72		93.47	
20,00,000 8.23% Tax Free Secured Non-Convertible Redeemable Bonds Series 91st (18 February 2024) of ₹ 1000.00 each, fully paid	199.19		199.80	
4,35,012 8.00% Tax Free Non-Cumulative Non-Convertible Redeemable Bonds 80th Series (23 February 2022) of ₹ 1000.00 each, fully paid	42.84		42.90	
National Bank for Agriculture and Rural Development 4,100 Zero Coupon Unsecured Non-Convertible Bonds in the form of Promissory Notes Series BNB (01 August 2017) 2D of ₹ 20000.00 each, fully paid		6.54		6.05
1,41,270 Zero Coupon Unsecured Non-Convertible Bonds in the form of Promissory Notes Series BNB (01 January 2019) of ₹ 20000.00 each, fully paid		197.03		182.79
National Highways Authority of India 4,94,476 8.20% Tax Free Secured Redeemable Non-Convertible Bonds (25 January 2022) of ₹ 1000.00 each, fully paid	49.20		49.31	
National Housing Bank 1,03,785 Zero Coupon Unsecured Non-Convertible Taxable Bonds in the form of Promissory Notes (24 December 2018) of ₹ 10000.00 each, fully paid		72.53		67.39
Power Finance Corporation Limited 1,500 8.09% Secured Non-Convertible Non-Cumulative Tax Free Bonds in the nature of Debentures Series-80-A (25 November 2021) of ₹ 100000.00 each, fully paid		14.84		14.87
1,000 8.01% Secured Redeemable Non-Convertible Non-Cumulative Tax Free Bonds in the nature of Debentures Series 107-A (30 August 2023) of ₹ 1000000.00 each, fully paid		98.27		98.46
450 (2014 - Nil) 9.69% Secured Non-Convertible Non-Cumulative Taxable Bonds Series 113 (02 March 2019) of ₹ 1000000.00 each, fully paid		46.85		—
1,00,000 8.20% Secured Non-Convertible Tax Free Bonds Series-I (01 February 2022) of ₹ 1000.00 each, fully paid	9.95		9.97	
12,95,560 8.18% Secured Tax Free Redeemable Non-Convertible Bonds Series 1A (16 November 2023) of ₹ 1000.00 each, fully paid	128.60		128.95	
450 (2014-Nil) 9.32% Unsecured Redeemable Non-Convertible Taxable Bonds in the nature of Debentures Series 119 B (17 September 2019) of ₹ 1000000.00 each, fully paid	46.52		—	
500 (2014-Nil) 8.36% Unsecured Redeemable Non-Convertible Taxable Bonds in the nature of Debentures Series 127 (26 February 2020) of ₹ 1000000.00 each, fully paid	49.98		—	
Carried over	715.54	682.34	524.40	650.27

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	715.54	682.34	524.40	650.27
Investment in Bonds (Contd.)				
Rural Electrification Corporation Limited 30,00,000 7.22% Secured Tax Free Redeemable Non-Convertible Bonds Tranche 1 Series 1(19 December 2022) of ₹ 1000.00 each, fully paid	282.01		281.29	
1,000 8.01% Secured Redeemable Non-Convertible Tax Free Bonds in the nature of Debentures Series 3A (29 August 2023) of ₹ 1000000.00 each, fully paid	98.27		98.47	
750 (2014-Nil) 9.38% Secured Redeemable Non-Convertible Non-Cumulative Taxable Bonds Series 117th (06 November 2018) of ₹ 1000000.00 each, fully paid	77.35		—	
400 (2014-Nil) 8.44% Unsecured Redeemable Non-Convertible Non-Cumulative Taxable Bonds in the nature of Debentures Series 127th (04 December 2021) of ₹ 1000000.00 each, fully paid	40.24		—	
Investment in Mutual Funds				
Axis Liquid Fund 32,301 (2014 - Nil) Units of ₹ 1000.00 each		5.00		—
Birla Sun Life Cash Manager 1,19,30,256 (2014 - Nil) Units of ₹ 100.00 each		400.00		—
Birla Sun Life Fixed Term Plan - Series JL (368 Days) Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
Birla Sun Life Fixed Term Plan - Series GB (541 Days) Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
Birla Sun Life Fixed Term Plan - Series HY (368 Days) Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
Birla Sun Life Fixed Term Plan - Series IA (366 Days) Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
Birla Sun Life Fixed Term Plan - Series JA (366 Days) Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
Birla Sun Life Fixed Term Plan - Series JE (368 Days) Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
Birla Sun Life Fixed Term Plan - Series JI (368 Days) Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
Birla Sun Life Fixed Term Plan - Series JQ (368 Days) Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
Birla Sun Life Fixed Term Plan - Series JT (367 Days) Nil (2014 - 3,50,00,000) Units of ₹ 10.00 each	—		35.00	
Birla Sun Life Fixed Term Plan - Series JY (367 Days) Nil (2014 - 3,50,00,000) Units of ₹ 10.00 each	—		35.00	
Birla Sun Life Fixed Term Plan - Series JZ (368 Days) Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
Birla Sun Life Fixed Term Plan - Series KC (368 Days) Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
Birla Sun Life Fixed Term Plan - Series KK (367 Days) Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
Birla Sun Life Fixed Term Plan - Series KM (368 Days) Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
Birla Sun Life Floating Rate Fund - Long Term 53,43,351 (2014 - 82,46,422) Units of ₹ 100.00 each		85.83		82.60
Birla Sun Life Interval Income Fund - Annual Plan VIII Nil (2014 - 5,00,00,000) Units of ₹ 10.00 each	—		50.00	
Carried over	1213.41	1173.17	1274.16	732.87

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1213.41	1173.17	1274.16	732.87
Investment in Mutual Funds (Contd.)				
Birla Sun Life Savings Fund 23,45,048 (2014 - 39,90,969) Units of ₹ 100.00 each		55.30		54.21
Birla Sun Life Short Term Fund 5,05,02,285 Units of ₹ 10.00 each		50.50		50.50
Birla Sun Life Treasury Optimizer Plan 15,45,666 (2014 - Nil) Units of ₹ 100.00 each		25.39		—
Canara Robeco Treasury Advantage Fund Nil (2014 - 2,21,444) Units of ₹ 1000.00 each		—		27.47
DSP BlackRock Fixed Maturity Plan - Series 103 - 12M Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
DSP BlackRock Fixed Maturity Plan - Series 105 - 12M Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
DSP BlackRock Fixed Maturity Plan - Series 130 - 12M Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
DSP BlackRock Fixed Maturity Plan - Series 144 - 12M Nil (2014 - 3,50,00,000) Units of ₹ 10.00 each	—		35.00	
DSP BlackRock Fixed Maturity Plan - Series 146 - 12M Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
DSP BlackRock Fixed Maturity Plan - Series 147 - 3M Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
DSP BlackRock Fixed Maturity Plan - Series 149 - 12M Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
DSP BlackRock Fixed Maturity Plan - Series 151 - 12M Nil (2014 - 5,00,00,000) Units of ₹ 10.00 each	—		50.00	
DSP BlackRock Fixed Maturity Plan - Series 93 - 12M Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
DSP BlackRock Liquidity Fund - Institutional Plan 1,00,106 (2014 - Nil) Units of ₹ 1000.00 each		20.00		—
DWS Fixed Maturity Plan - Series 28 Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
DWS Fixed Maturity Plan - Series 31 1,00,00,000 Units of ₹ 10.00 each	10.00		10.00	
DWS Fixed Maturity Plan - Series 36 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
DWS Fixed Maturity Plan - Series 39 Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
DWS Fixed Maturity Plan Series 43 Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
DWS Fixed Maturity Plan Series 48 Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
DWS Fixed Maturity Plan Series 50 Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
DWS Fixed Maturity Plan Series 51 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
DWS Interval Fund Annual Plan Series 1 Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
DWS Treasury Fund 8,24,18,752 (2014 - 7,60,07,335) Units of ₹ 10.00 each		86.77		80.00
DWS Ultra Short Term Fund 5,09,80,716 (2014 - Nil) Units of ₹ 10.00 each		49.74		—
Carried over	1223.41	1460.87	1654.16	945.05

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1223.41	1460.87	1654.16	945.05
Investment in Mutual Funds (Contd.)				
HDFC Cash Management Fund - Treasury Advantage Plan 2,34,21,163 (2014 - 6,40,57,080) Units of ₹ 10.00 each		67.38		65.00
HDFC Fixed Maturity Plan 369D February 2014 (2) Series 29 Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
HDFC Fixed Maturity Plan 369D June 2013 (1) Series 26 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
HDFC Fixed Maturity Plan 369D March 2014 (1) Series 29 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
HDFC Fixed Maturity Plan 370D February 2014 (1) Series 29 Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
HDFC Fixed Maturity Plan 370D July 2013 (3) Series 26 Nil (2014 - 5,00,00,000) Units of ₹ 10.00 each	—		50.00	
HDFC Fixed Maturity Plan 371D February 2014 (1) Series 29 Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
HDFC Fixed Maturity Plan 371D February 2014 (2) Series 29 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
HDFC Fixed Maturity Plan 384D March 2013 (1) Series 23 Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
HDFC Fixed Maturity Plan 566D December 2012 (1) Series 24 Nil (2014 - 5,00,00,000) Units of ₹ 10.00 each	—		50.00	
HDFC High Interest Fund - Short Term Plan 5,54,65,988 (2014 - Nil) Units of ₹ 10.00 each		150.00		—
HDFC High Interest Fund - Dynamic Plan 1,06,18,417 (2014 - Nil) Units of ₹ 10.00 each		50.00		—
HDFC Medium Term Opportunities Fund 13,70,33,144 (2014 - Nil) Units of ₹ 10.00 each		201.11		—
HDFC Short Term Opportunities Fund 14,47,53,230 (2014 - 20,09,13,064) Units of ₹ 10.00 each		211.05		202.32
ICICI Prudential Banking and PSU Debt Fund 4,92,90,221 Units of ₹ 10.00 each		50.00		50.00
ICICI Prudential Blended Plan B 3,86,97,174 Units of ₹ 10.00 each		40.30		40.30
ICICI Prudential Dynamic Bond Fund 3,59,60,193 (2014 - 4,83,81,900) Units of ₹ 10.00 each		53.08		50.22
ICICI Prudential Fixed Maturity Plan Series 65 - 502 Days Plan C Nil (2014 - 5,00,00,000) Units of ₹ 10.00 each	—		50.00	
ICICI Prudential Fixed Maturity Plan Series 65 - 505 Days Plan J Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
ICICI Prudential Fixed Maturity Plan Series 68 - 369 Days Plan E Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
ICICI Prudential Fixed Maturity Plan Series 68 - 369 Days Plan K Nil (2014 - 5,00,00,000) Units of ₹ 10.00 each	—		50.00	
ICICI Prudential Fixed Maturity Plan Series 70 - 368 Days Plan K Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
ICICI Prudential Fixed Maturity Plan Series 70 - 372 Days Plan L Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
ICICI Prudential Fixed Maturity Plan Series 71 - 366 Days Plan C Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
ICICI Prudential Fixed Maturity Plan Series 71 - 367 Days Plan G Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
Carried over	1223.41	2283.79	2134.16	1352.89

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1223.41	2283.79	2134.16	1352.89
Investment in Mutual Funds (Contd.)				
ICICI Prudential Fixed Maturity Plan Series 71 - 368 Days Plan K Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
ICICI Prudential Fixed Maturity Plan Series 71 - 369 Days Plan E Nil (2014 - 4,50,00,000) Units of ₹ 10.00 each	—		45.00	
ICICI Prudential Fixed Maturity Plan Series 71 - 371 Days Plan M Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
ICICI Prudential Fixed Maturity Plan Series 72 - 366 Days Plan C Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
ICICI Prudential Fixed Maturity Plan Series 72 - 366 Days Plan K Nil (2014 - 5,00,00,000) Units of ₹ 10.00 each	—		50.00	
ICICI Prudential Fixed Maturity Plan Series 72 - 366 Days Plan M Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
ICICI Prudential Fixed Maturity Plan Series 72 - 368 Days Plan D Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
ICICI Prudential Fixed Maturity Plan Series 73 - 366 Days Plan A Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
ICICI Prudential Fixed Maturity Plan Series 73 - 368 Days Plan D Nil (2014 - 3,50,00,000) Units of ₹ 10.00 each	—		35.00	
ICICI Prudential Income Opportunities Fund 7,98,54,771 (2014 - Nil) Units of ₹ 10.00 each		150.00		—
ICICI Prudential Interval Fund Annual Interval Plan IV Nil (2014 - 99,54,739) Units of ₹ 10.00 each	—		15.00	
ICICI Prudential Interval Fund II Quarterly Interval Plan F Nil (2014 - 1,99,81,417) Units of ₹ 10.00 each	—		20.00	
ICICI Prudential Interval Fund IV Quarterly Interval Plan B Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
ICICI Prudential Interval Fund Series VI Annual Interval Plan F Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
ICICI Prudential Savings Fund 50,35,980 (2014 - Nil) Units of ₹ 100.00 each		103.20		—
ICICI Prudential Short Term 7,64,51,068 (2014 - Nil) Units of ₹ 10.00 each		213.10		—
ICICI Prudential Ultra Short Term 15,36,33,761 (2014 - 19,40,59,829) Units of ₹ 10.00 each		200.20		200.00
IDFC Dynamic Bond Fund 4,64,29,475 Units of ₹ 10.00 each		50.06		50.06
IDFC Fixed Term Plan Series 24 Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
IDFC Fixed Term Plan Series 67 Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
IDFC Fixed Term Plan Series 69 Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
IDFC Money Manager Fund - Investment Plan 1,12,84,393 (2014 - 1,02,00,441) Units of ₹ 10.00 each		11.34		10.25
JPMorgan India Liquid Fund 20,35,37,192 (2014 - Nil) Units of ₹ 10.00 each		208.74		—
JPMorgan India Treasury Fund 5,78,55,112 (2014 - Nil) Units of ₹ 10.00 each		102.28		—
JPMorgan India Active Bond Fund 9,68,66,060 (2014 - Nil) Units of ₹ 10.00 each		150.00		—
Carried over	1223.41	3472.71	2549.16	1613.20

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1223.41	3472.71	2549.16	1613.20
Investment in Mutual Funds (Contd.)				
JPMorgan India Fixed Maturity Plan Series 12 Nil (2014 - 6,00,00,000) Units of ₹ 10.00 each	—		60.00	
JPMorgan India Fixed Maturity Plan Series 13 Nil (2014 - 5,00,00,000) Units of ₹ 10.00 each	—		50.00	
JPMorgan India Fixed Maturity Plan Series 21 Nil (2014 - 4,50,00,000) Units of ₹ 10.00 each	—		45.00	
JPMorgan India Fixed Maturity Plan Series 31 Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
Kotak Bond Short Term 2,49,65,867 Units of ₹ 10.00 each		24.98		24.98
Kotak Bond Scheme Plan A Nil (2014 - 2,30,90,646) Units of ₹ 10.00 each		—		23.96
Kotak Fixed Maturity Plan Series 104 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
Kotak Fixed Maturity Plan Series 106 Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
Kotak Fixed Maturity Plan Series 107 Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
Kotak Fixed Maturity Plan Series 119 Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
Kotak Fixed Maturity Plan Series 136 Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
Kotak Fixed Maturity Plan Series 137 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
Kotak Fixed Maturity Plan Series 138 Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
Kotak Fixed Maturity Plan Series 139 Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
Kotak Fixed Maturity Plan Series 143 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
Kotak Fixed Maturity Plan Series 144 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
Kotak Fixed Maturity Plan Series 99 Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
Kotak Liquid Scheme Plan A 17,641 (2014 - Nil) Units of ₹ 1000.00 each		5.00		—
Kotak Treasury Advantage Fund 4,76,54,096 (2014 - Nil) Units of ₹ 10.00 each		102.24		—
L&T Fixed Maturity Plan Series 9 - Plan D Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
L&T Short Term Opportunities Fund 3,00,07,277 (2014 - Nil) Units of ₹ 10.00 each		40.00		—
L&T Triple Ace Bond Fund 1,62,81,386 (2014 - Nil) Units of ₹ 10.00 each		60.00		—
Reliance Dynamic Bond Fund Nil (2014 - 2,40,51,908) Units of ₹ 10.00 each		—		24.51
Reliance Fixed Horizon Fund - XXII - Series 21 Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
Reliance Fixed Horizon Fund - XXIV - Series 1 Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
Carried over	1223.41	3704.93	2969.16	1686.65

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1223.41	3704.93	2969.16	1686.65
Investment in Mutual Funds (Contd.)				
Reliance Fixed Horizon Fund - XXIV - Series 18 Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
Reliance Fixed Horizon Fund - XXIV - Series 3 Nil (2014 - 4,50,00,000) Units of ₹ 10.00 each	—		45.00	
Reliance Fixed Horizon Fund - XXV - Series 14 Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
Reliance Fixed Horizon Fund - XXV - Series 18 Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
Reliance Fixed Horizon Fund - XXV - Series 2 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
Reliance Fixed Horizon Fund - XXV - Series 4 Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
Reliance Floating Rate Fund - Short Term Plan 19,74,70,372 (2014 - 15,25,73,567) Units of ₹ 10.00 each		252.57		152.57
Reliance Interval Fund - Quarterly Plan - Series I Nil (2014 - 3,99,15,379) Units of ₹ 10.00 each	—		40.00	
Reliance Medium Term Fund 12,56,20,295 (2014 - 5,58,13,715) Units of ₹ 10.00 each		255.81		55.81
Reliance Quarterly Interval Fund - Series II Nil (2014 - 2,99,58,657) Units of ₹ 10.00 each	—		30.00	
Reliance Short Term Fund 20,42,82,694 (2014 - 5,09,50,204) Units of ₹ 10.00 each		451.45		51.45
Reliance Yearly Interval Fund - Series 1 Nil (2014 - 9,19,23,593) Units of ₹ 10.00 each	—		100.00	
Reliance Yearly Interval Fund - Series 2 Nil (2014 - 9,16,64,070) Units of ₹ 10.00 each	—		100.00	
Reliance Yearly Interval Fund - Series 8 Nil (2014 - 5,00,00,000) Units of ₹ 10.00 each	—		50.00	
SBI Debt Fund Series 30 - 366 Days Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
SBI Debt Fund Series 31 - 366 Days Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
SBI Debt Fund Series 47 - 366 Days Nil (2014 - 4,50,00,000) Units of ₹ 10.00 each	—		45.00	
SBI Debt Fund Series 52 - 366 Days Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
SBI Premier Liquid Fund 1,13,914 (2014 - Nil) Units of ₹ 1000.00 each		25.00		—
SBI Short Term Debt Fund Nil (2014 - 4,98,78,389) Units of ₹ 10.00 each		—		50.97
Sundaram Fixed Term Plan DC 15 Months Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
Sundaram Fixed Term Plan EW 366 Days Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
Sundaram Fixed Term Plan EY 366 Days Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
Sundaram Fixed Term Plan FB 369 Days Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
Sundaram Fixed Term Plan FF 366 Days Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
Carried over	1223.41	4689.76	3599.16	1997.45

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
	Quoted	Unquoted	Quoted	Unquoted
13. Current investments (at lower of cost and fair value) (Contd.)				
Brought forward	1223.41	4689.76	3599.16	1997.45
Investment in Mutual Funds (Contd.)				
TATA Fixed Maturity Plan Series 42 Scheme I Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
TATA Fixed Maturity Plan Series 45 Scheme C Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
TATA Fixed Maturity Plan Series 45 Scheme D Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
TATA Fixed Maturity Plan Series 45 Scheme E Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
TATA Fixed Maturity Plan Series 46 Scheme A Nil (2014 - 4,50,00,000) Units of ₹ 10.00 each	—		45.00	
TATA Fixed Maturity Plan Series 46 Scheme B Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
TATA Fixed Maturity Plan Series 46 Scheme I Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
TATA Fixed Maturity Plan Series 46 Scheme L Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
TATA Fixed Maturity Plan Series 46 Scheme P Nil (2014 - 1,50,00,000) Units of ₹ 10.00 each	—		15.00	
TATA Fixed Maturity Plan Series 46 Scheme S Nil (2014 - 1,00,00,000) Units of ₹ 10.00 each	—		10.00	
UTI - Fixed Income Interval Fund - Annual Interval Plan Series - II Nil (2014 - 60,59,504) Units of ₹ 10.00 each	—		10.00	
UTI - Fixed Income Interval Fund - IV - Annual Interval Plan Nil (2014 - 61,89,268) Units of ₹ 10.00 each	—		10.00	
UTI - Floating Rate Fund - Short Term Plan Nil (2014 - 10,52,280) Units of ₹ 1000.00 each		—		209.00
UTI - Short Term Income Fund - Institutional Option 5,06,50,712 Units of ₹ 10.00 each		50.65		50.65
UTI Fixed Term Income Fund Series XIII - III (549 Days) Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
UTI Fixed Term Income Fund Series XV - VI (368 Days) Nil (2014 - 3,00,00,000) Units of ₹ 10.00 each	—		30.00	
UTI Fixed Term Income Fund Series XV - VII (369 Days) Nil (2014 - 3,50,00,000) Units of ₹ 10.00 each	—		35.00	
UTI Fixed Term Income Fund Series XVI - VII (366 Days) Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
UTI Fixed Term Income Fund Series XVII - I (369 Days) Nil (2014 - 4,50,00,000) Units of ₹ 10.00 each	—		45.00	
UTI Fixed Term Income Fund Series XVII - II (369 Days) Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
UTI Fixed Term Income Fund Series XVII - X (367 Days) Nil (2014 - 2,00,00,000) Units of ₹ 10.00 each	—		20.00	
UTI Fixed Term Income Fund Series XVII - XIII (369 Days) Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
UTI Fixed Term Income Fund Series XVII - XVI (367 Days) Nil (2014 - 2,50,00,000) Units of ₹ 10.00 each	—		25.00	
Aggregate amount of quoted and unquoted Investments	1223.41	4740.41	4054.16	2257.10
Total Current investments		5963.82		6311.26

Aggregate market value of quoted investments ₹ 1224.09 Crores (2014 - ₹ 4207.64 Crores).
Aggregate excess of cost over fair value ₹ 148.43 Crores (2014 - ₹ 177.96 Crores).

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)	As at 31st March, 2014 (₹ in Crores)
14. Inventories		
(At lower of cost and net realisable value)		
Raw materials (including packing materials)	4404.52	4560.54
Work-in-progress	180.82	142.29
Finished goods (manufactured)	2541.48	2000.28
Stock-in-Trade (goods purchased for resale)	352.60	297.73
Stores and Spares	290.10	283.41
Intermediates - Tissue paper and Paperboards	67.24	75.29
TOTAL	7836.76	7359.54
The above includes goods in transit as under:		
Raw materials (including packing materials)	84.05	108.54
Stock-in-Trade (goods purchased for resale)	0.53	1.09
Stores and Spares	1.76	1.01
TOTAL	86.34	110.64
15. Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	0.59	1.26
Unsecured, considered good	30.05	31.44
Doubtful	52.91	34.60
	83.55	67.30
Less: Provision for doubtful receivables	52.91	34.60
	30.64	32.70
Others		
Secured, considered good	24.47	23.81
Unsecured, considered good	1667.29	2108.85
Doubtful	0.88	1.09
	1692.64	2133.75
Less: Provision for doubtful receivables	0.88	1.09
	1691.76	2132.66
TOTAL	1722.40	2165.36

Notes to the Financial Statements

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
16. Cash and bank balances				
Cash and cash equivalents [@]				
Balances with Banks				
Current accounts	27.65		104.68	
Cheques, drafts on hand	5.60		13.45	
Cash on hand	3.04	36.29	2.93	121.06
Other bank balances				
Earmarked balances	134.89		113.67	
In deposit accounts*	7417.43	7552.32	3054.64	3168.31
TOTAL		7588.61		3289.37

[@] 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 ₹ 1300.00 Crores (2014 - ₹ 400.00 Crores).

17. Short-term loans and advances				
Unsecured, considered good unless otherwise stated				
Loans and advances to Related Parties				
Security deposits	0.17		0.58	
Loans and advances				
Secured, considered good	35.07		44.53	
Unsecured, considered good	48.48	83.72	13.87	58.98
Others				
With Statutory authorities		213.47		491.54
Commercial advances and deposits				
Secured, considered good	4.50		4.50	
Unsecured, considered good	166.13	170.63	150.26	154.76
Other Loans and Advances (Employees, unexpired expenses etc.)		82.07		78.23
TOTAL		549.89		783.51

Loans and advances to Related Parties include deposit with Director - ₹ 0.05 Crore (2014 - Nil) [Refer Note 33].

18. Other current assets				
Interest accrued on loans, deposits etc.		83.56		69.32
Interest accrued on investments		55.45		33.06
Deposits with financial institutions		—		750.00
Others*				
Unsecured, considered good	154.54		167.31	
Doubtful	3.60		0.81	
	158.14		168.12	
Less: Provision for doubtful assets	3.60	154.54	0.81	167.31
TOTAL		293.55		1019.69

* 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, 2015 (₹ in Crores)	For the year ended 31st March, 2014 (₹ in Crores)
19. Gross income		
Gross Revenue from sale of products and services*	49964.82	46712.62
Other operating revenue	424.19	356.04
Other income	1543.13	1107.14
TOTAL	51932.14	48175.80
* Net of sales returns and damaged stocks.		
20. Gross Revenue from sale of products and services*		
FMCG		
– Cigarettes etc.	30452.38	29076.48
– Branded Packaged Food Products	6411.27	5717.32
– Others (Apparel, Education and Stationery Products, Personal Care Products, Safety Matches, Agarbattis etc.)	2617.00	2394.66
Hotels		
– Hotels Sales/Income from Hotel Services	1173.55	1121.45
Agri Business		
– Unmanufactured Tobacco	1574.46	1780.97
– Other Agri Products and Commodities (Wheat, Soya, Spices, Coffee, Aqua etc.)	4097.61	3349.12
Paperboards, Paper and Packaging		
– Paperboards and Paper	3149.11	2843.97
– Printed Materials	489.44	428.65
TOTAL	49964.82	46712.62
* Net of sales returns and damaged stocks.		
21. Revenue from operations		
Sale of products	48791.27	45591.17
Sale of services	1173.55	1121.45
Gross Revenue from sale of products and services*	49964.82	46712.62
Other operating revenue	424.19	356.04
	50389.01	47068.66
Less:		
Excise duty attributable to products sold	13881.61	13830.06
TOTAL	36507.40	33238.60
* Net of sales returns and damaged stocks.		

Notes to the Financial Statements

	For the year ended 31st March, 2015 (₹ in Crores)	For the year ended 31st March, 2014 (₹ in Crores)
22. Other income		
Interest income	611.22	412.77
Dividend income		
– Long-term investments		
– Subsidiary companies	347.37	208.81
– Other long-term investments	10.18	8.46
	357.55	217.27
– Current investments	219.37	140.15
Net gain on sale of current investments	334.44	329.44
Other non-operating income	20.55	7.51
TOTAL	1543.13	1107.14
Interest income comprises interest from:		
a) Deposits with Banks/Financial Institutions	456.67	261.91
b) Current investments	114.20	108.24
c) Others (from customers, statutory authorities etc.)	40.35	42.62
TOTAL	611.22	412.77
23. Cost of materials consumed		
Unmanufactured Tobacco	1802.39	1897.49
Board, Film and Laminates	650.57	540.31
Filter Rods	364.47	349.95
Wheat	1392.81	1420.15
Edible Oils	406.49	359.13
Sugar	255.15	266.27
Wheat Flour (Maida)	355.09	344.04
Waste Paper and Pulp	878.26	779.67
Chemicals and Fragrances	609.56	573.54
Hardwood and Bamboo	799.40	688.46
Coffee	451.09	413.97
Others (Hotel Consumables, Inks and Solvents, Skimmed Milk Powder, Packing Materials etc.)	3022.55	2630.30
TOTAL	10987.83	10263.28
24. Purchases of Stock-in-Trade		
Soya Seeds	432.10	404.33
Wheat	1885.01	1276.28
Safety Matches	227.22	249.72
Coffee	528.85	439.63
Others (Spices, Apparel, Agarbattis, Education and Stationery Products etc.)	825.48	651.51
TOTAL	3898.66	3021.47

Notes to the Financial Statements

	For the year ended 31st March, 2015 (₹ in Crores)		For the year ended 31st March, 2014 (₹ in Crores)	
25. Changes in inventories of finished goods, Work-in-progress, Stock-in-Trade and Intermediates				
Finished goods (manufactured)				
Opening stock	2000.28		2300.15	
Acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)]	0.40		—	
Closing stock	<u>2541.48</u>	(540.80)	<u>2000.28</u>	299.87
Work-in-progress				
Opening stock	142.29		155.02	
Acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)]	3.03		—	
Closing stock	<u>180.82</u>	(35.50)	<u>142.29</u>	12.73
Stock-in-Trade (goods purchased for resale)				
Opening stock	297.73		226.64	
Closing stock	<u>352.60</u>	(54.87)	<u>297.73</u>	(71.09)
Intermediates - Tissue paper and Paperboards				
Opening stock	75.29		75.55	
Closing stock	<u>67.24</u>	8.05	<u>75.29</u>	0.26
Excise duties on increase/(decrease) of finished goods		408.59		(370.18)
TOTAL		<u>(214.53)</u>		<u>(128.41)</u>

26. Employee benefits expense				
Salaries and wages	1534.33		1355.14	
Contribution to Provident and other funds	108.25		115.21	
Staff welfare expenses	<u>167.28</u>		<u>161.74</u>	
	1809.86		1632.09	
Less: Recoveries made/reimbursements received	29.82		23.72	
TOTAL	<u>1780.04</u>		<u>1608.37</u>	

27. Finance costs				
Interest expense [Refer Note 31(xviii)]	35.41		2.95	
Applicable net loss on foreign currency transactions and translations	<u>22.01</u>		<u>—</u>	
TOTAL	<u>57.42</u>		<u>2.95</u>	

Notes to the Financial Statements

	For the year ended 31st March, 2015 (₹ in Crores)	For the year ended 31st March, 2014 (₹ in Crores)
28. Other expenses		
Power and fuel	581.65	613.19
Consumption of stores and spare parts	231.33	237.29
Contract processing charges	758.84	717.58
Rent [Refer Note 31(vii)]	272.76	256.17
Rates and taxes [Refer Note 31(xviii)]	484.21	221.10
Insurance	58.02	39.96
Repairs		
– Buildings	54.71	47.57
– Machinery	169.97	155.12
– Others	48.72	42.30
Maintenance and upkeep	144.99	130.62
Outward freight and handling charges	890.46	769.19
Warehousing charges	111.18	93.15
Advertising/Sales promotion	754.98	795.89
Market research	54.34	57.20
Design and product development	37.45	37.64
Hotel reservation/Marketing expenses	28.96	28.08
Retail accessories	185.16	154.75
Brokerage and discount - sales	17.44	10.25
Commission to selling agents	37.22	36.16
Doubtful and bad debts	19.79	11.17
Doubtful and bad advances, loans and deposits	0.54	0.11
Bank and credit card charges	21.03	20.68
Information technology services	191.92	184.20
Travelling and conveyance	225.56	218.87
Training and development	20.06	19.61
Legal expenses	22.38	16.51
Consultancy/Professional fees	95.66	85.84
Postage, telephone etc.	26.03	25.33
Printing and stationery	17.77	16.47
Net loss/(gain) on foreign currency transactions and translations	(40.79)	78.22
Excess of carrying cost over fair value of current investments - Net	–	3.31
Excess of cost of current investments over fair value, reversed - Net	(29.53)	–
Loss on sale of fixed assets - Net	24.89	12.95
Loss on sale of stores and spare parts - Net	2.38	0.86
Miscellaneous expenses	1061.77	881.71
TOTAL	6581.85	6019.05
Miscellaneous expenses include:		
(1) Auditors' remuneration and expenses*		
Audit fees	1.95	1.95
Tax audit fees	0.48	0.48
Fees for limited review	0.84	0.80
Fees for other services [#]	1.52	1.39
Reimbursement of expenses	0.37	0.44
(2) Cost auditors' fees	0.01	0.23

* 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 ₹ 0.11 Crore (2014 - ₹ 0.01 Crore).

Notes to the Financial Statements

	For the year ended 31st March, 2015 (₹ in Crores)	For the year ended 31st March, 2014 (₹ in Crores)
29. Current tax		
Income tax for the year	4043.28	3936.64
Adjustments / (credits) related to previous years - Net	(22.29)	(145.51)
TOTAL	4020.99	3791.13

30. Deferred tax		
Deferred tax for the year	353.15	25.84
Adjustments / (credits) related to previous years - Net	15.65	56.93
TOTAL	368.80	82.77

31. Additional Notes to the Financial Statements

(i) Earnings per share	2015	2014
Earnings per share has been computed as under:		
(a) Profit for the year (₹ in Crores)	9607.73	8785.21
(b) Weighted average number of Ordinary shares outstanding	7,97,62,97,104	7,92,14,54,725*
(c) Effect of potential Ordinary shares on Employee Stock Options outstanding	7,54,08,227	9,40,71,139
(d) Weighted average number of Ordinary shares in computing diluted earnings per share [(b)+ (c)]	8,05,17,05,331	8,01,55,25,864
(e) Earnings per share on profit for the year (Face Value ₹ 1.00 per share)		
– Basic [(a)/(b)]	₹ 12.05	₹ 11.09
– Diluted [(a)/(d)]	₹ 11.93	₹ 10.96

* Includes 87,761 shares issued pursuant to the Scheme of Arrangement [Refer Note 31(x)(c)].

(ii) Expenditure incurred under Section 135 of the Companies Act, 2013 applicable for the first time in 2014-15 on Corporate Social Responsibility (CSR) activities - ₹ 214.06 Crores comprising employee benefits expense of ₹ 7.61 Crores and other expenses of ₹ 206.45 Crores of which ₹ 12.67 Crores is accrued for payment as on 31st March, 2015. Such CSR expenditure of ₹ 214.06 Crores excludes ₹ 4.97 Crores being the excess of expenditure of salaries of CSR personnel and administrative expenses over the limit imposed of 5% of total CSR expenditure laid down under Rule 4(6) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 for such expenses.

(iii) Research and Development expenses for the year amount to ₹ 105.79 Crores (2014 - ₹ 117.18 Crores).

(iv) Contingent liabilities and commitments:

(a) Contingent liabilities

(i) Claims against the Company not acknowledged as debts ₹ 404.88 Crores (2014 - ₹ 361.50 Crores). Interest on claims, where applicable, is estimated to be ₹ 153.37 Crores (2014 - ₹ 121.34 Crores). These comprise:

- Excise duty, VAT / sales taxes and other indirect taxes claims disputed by the Company relating to issues of applicability and classification aggregating ₹ 314.43 Crores (2014 - ₹ 254.99 Crores). Interest on claims, where applicable, is estimated to be ₹ 135.58 Crores (2014 - ₹ 103.89 Crores).
- Local Authority taxes/cess/royalty on property, utilities etc. claims disputed by the Company relating to issues of applicability and determination aggregating ₹ 55.32 Crores (2014 - ₹ 63.62 Crores). Interest on claims, where applicable, is estimated to be ₹ 13.47 Crores (2014 - ₹ 12.36 Crores).
- Third party claims arising from disputes relating to contracts aggregating ₹ 29.05 Crores (2014 - ₹ 37.36 Crores). Interest on claims, where applicable, is estimated to be ₹ 0.14 Crore (2014 - ₹ 1.12 Crores).

Notes to the Financial Statements

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

- Other matters ₹ 6.08 Crores (2014 - ₹ 5.53 Crores). Interest on other matters, where applicable, is estimated to be ₹ 4.18 Crores (2014 - ₹ 3.97 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.

- (ii) Corporate Guarantee given to Yes Bank Limited for credit facility availed by Broadcast Audience Research Council (BARC) outstanding - ₹ 1.30 Crores (2014 - Nil).

(b) Commitments

- Estimated amount of contracts remaining to be executed on capital accounts and not provided for ₹ 1432.41 Crores (2014 - ₹ 1528.10 Crores).
- Uncalled liability on shares partly paid ₹ 26.40 Crores (2014 - ₹ 26.40 Crores).

- (v) (a) Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2015 and recognised in the financial statements in respect of Employee Benefit Schemes:

		For the year ended 31st March, 2015 (₹ in Crores)			For the year ended 31st March, 2014 (₹ in Crores)		
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
		Funded	Unfunded		Funded	Unfunded	
I	Components of Employer Expense						
1	Current Service Cost	43.17	25.39	4.49	40.49	23.34	4.47
2	Interest Cost	42.66	18.12	6.18	50.30	20.28	6.62
3	Expected Return on Plan Assets	(48.33)	(18.39)	—	(53.30)	(20.34)	—
4	Curtailment Cost/(Credit)	—	—	—	—	—	—
5	Settlement Cost/(Credit)	—	—	—	—	—	—
6	Past Service Cost	—	—	—	—	—	—
7	Actuarial Losses/(Gains)	(38.67)	12.01	1.26	(7.96)	(4.01)	2.56
8	Total expense recognised in the Statement of Profit and Loss	(1.17)	37.13	11.93	29.53	19.27	13.65
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	87.23	27.65	—	36.97	17.99	—
III	Net Asset / (Liability) recognised in Balance Sheet						
1	Present Value of Defined Benefit Obligation	615.05	282.51	80.75	571.88	249.86	76.09
2	Fair Value of Plan Assets	663.53	247.57	—	583.78	226.99	—
3	Status [Surplus/(Deficit)]	48.48	(34.94)	(80.75)	11.90	(22.87)	(76.09)
4	Unrecognised Past Service Cost	—	—	—	—	—	—
5	Net Asset / (Liability) recognised in Balance Sheet	48.48	(34.94)	(80.75)	11.90	(22.87)	(76.09)
	— Current	48.48	(34.94)	(16.71)	11.90	(22.87)	(10.12)
	— Non-current	—	—	(64.04)	—	—	(65.97)

Notes to the Financial Statements

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

			For the year ended 31st March, 2015 (₹ in Crores)			For the year ended 31st March, 2014 (₹ in Crores)		
			Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
IV	Change in Defined Benefit Obligation (DBO)							
	1	Present Value of DBO at the beginning of the year	571.88	249.86	76.09	612.41	237.87	69.86
	2	Current Service Cost	43.17	25.39	4.49	40.49	23.34	4.47
	3	Interest Cost	42.66	18.12	6.18	50.30	20.28	6.62
	4	Curtailment Cost/(Credit)	—	—	—	—	—	—
	5	Settlement Cost/(Credit)	—	—	—	—	—	—
	6	Plan Amendments	—	—	—	—	—	—
	7	Acquisitions	—	—	—	—	—	—
	8	Actuarial (Gains)/Losses	0.23	21.27	1.26	(24.29)	(6.36)	2.56
	9	Benefits Paid	(42.89)	(32.13)	(7.27)	(107.03)	(25.27)	(7.42)
	10	Present Value of DBO at the end of the year	615.05	282.51	80.75	571.88	249.86	76.09
V	Best Estimate of Employers' Expected Contribution for the next year		73.52	38.29	—	67.85	30.27	—
VI	Change in Fair Value of Assets							
	1	Plan Assets at the beginning of the year	583.78	226.99	—	600.65	225.13	—
	2	Acquisition Adjustment	—	—	—	—	—	—
	3	Expected Return on Plan Assets	48.33	18.39	—	53.30	20.34	—
	4	Actuarial Gains/(Losses)	38.90	9.26	—	(16.33)	(2.35)	—
	5	Actual Company Contributions	35.41	25.06	—	53.19	9.14	—
	6	Benefits Paid	(42.89)	(32.13)	—	(107.03)	(25.27)	—
	7	Plan Assets at the end of the year	663.53	247.57	—	583.78	226.99	—
VII	Actuarial Assumptions							
	1	Discount Rate (%)	7.75	7.75	7.75	9.00	9.00	9.00
	2	Expected Return on Plan Assets (%)	7.75	7.75	—	9.00	9.00	—
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, 2015			As at 31st March, 2014		
	1	Government Securities/Special Deposit with RBI	34.57%			33.02%		
	2	High Quality Corporate Bonds	28.05%			26.60%		
	3	Insurer Managed Funds*	26.96%			29.26%		
	4	Mutual Funds	2.72%			2.25%		
	5	Cash and Cash Equivalents	4.49%			4.86%		
	6	Term Deposits	3.21%			3.65%		
	7	Equity	—			0.36%		
* 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.								

Notes to the Financial Statements

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

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.														
X	Net Asset/(Liability) recognised in Balance Sheet (including experience adjustment impact)	For the year ended 31st March, 2015 (₹ in Crores)			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)		
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
1	Present Value of Defined Benefit Obligation	615.05	282.51	80.75	571.88	249.86	76.09	612.41	237.87	69.86	533.19	211.49	58.62	482.51	181.13	54.59
2	Fair Value of Plan Assets	663.53	247.57	—	583.78	226.99	—	600.65	225.13	—	520.47	220.29	—	479.85	207.08	—
3	Status [Surplus/(Deficit)]	48.48	(34.94)	(80.75)	11.90	(22.87)	(76.09)	(11.76)	(12.74)	(69.86)	(12.72)	8.80	(58.62)	(2.66)	25.95	(54.59)
4	Experience Adjustment of Plan Assets [Gain/(Loss)]	19.65	6.29	—	(4.22)	(0.09)	—	13.52	3.54	—	(4.14)	(0.43)	—	4.99	2.55	—
5	Experience Adjustment of obligation [(Gain)/Loss]	(54.42)	11.99	(6.06)	(20.35)	4.85	3.24	(34.52)	1.45	2.31	(18.06)	6.48	0.59	42.85	20.19	8.96

(b) Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and other funds" in Note 26: ₹ 72.29 Crores (2014 - ₹ 66.41 Crores).

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

A sum of ₹ 24.56 Crores is payable to Micro and Small Enterprises as at 31st March, 2015 (2014 - ₹ 23.25 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, 2015. 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.

(vii) 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, 2015 (₹ in Crores)	As at 31st March, 2014 (₹ in Crores)
Not later than one year	18.31	17.89
Later than one year and not later than five years	6.74	11.32
Later than five years	0.92	1.47

(viii) 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, 2015	Percentage of ownership interests as at 31st March, 2014
Maharaja Heritage Resorts Limited	India	25%	25%
Espirit Hotels Private Limited	India	26%	26%
Logix Developers Private Limited	India	27.90%	26%

Notes to the Financial Statements

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

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, 2015 (₹ in Crores)	As at 31st March, 2014 (₹ in Crores)
I	ASSETS		
	Non-current assets		
1	Fixed assets	98.66	91.16
	a) Tangible assets	44.92	44.94
	b) Intangible assets	...	0.01
	c) Capital work-in-progress - Tangible assets	53.74	46.21
2	Deferred tax assets (Net)	0.29	0.32
3	Long-term loans and advances	0.22	0.33
	Current assets		
4	Current investments	0.19	0.19
5	Trade receivables	0.24	0.22
6	Cash and cash equivalents	1.24	0.14
7	Short-term loans and advances	0.01	0.01
II	LIABILITIES		
	Non-current liabilities		
1	Long-term borrowings	20.91	23.92
2	Long-term provisions	0.01	0.01
	Current liabilities		
3	Trade payables	0.83	0.88
4	Other current liabilities	14.77	5.50
		For the year ended 31st March, 2015 (₹ in Crores)	For the year ended 31st March, 2014 (₹ in Crores)
III	INCOME		
1	Net Revenue from sale of products and services	0.81	0.81
2	Other operating revenue	0.12	0.04
3	Other income	0.03	0.03
IV	EXPENSES		
1	Employee benefits expense	0.59	0.55
2	Depreciation and amortisation expense	0.01	0.01
3	Other expenses	0.28	0.28
4	Tax expense	0.06	0.03
		As at 31st March, 2015 (₹ in Crores)	As at 31st March, 2014 (₹ in Crores)
V	OTHER MATTERS		
1	Capital Commitments	9.30	8.89

Notes to the Financial Statements

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

(ix) 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)

		As at 31st March, 2015		As at 31st March, 2014	
Currency	Cross Currency	Buy	Sell	Buy	Sell
US Dollar	Indian Rupee	18.94	149.80	48.10	192.50
Euro	US Dollar	14.95	—	28.60	—
AUD	US Dollar	0.08	—	—	—
CAD	US Dollar	—	1.07	—	—
CHF	US Dollar	3.41	—	0.40	—
GBP	US Dollar	0.25	0.90	—	2.20
SEK	US Dollar	1.21	—	—	—
JPY	US Dollar	172.33	—	312.36	—

b) Currency option contracts outstanding as at year end:

(in Million)

		As at 31st March, 2015		As at 31st March, 2014	
Currency	Cross Currency	Buy	Sell	Buy	Sell
US Dollar	Indian Rupee	—	—	10.00	15.00

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

(in Million)

		As at 31st March, 2015			As at 31st March, 2014		
Currency	Cross Currency	Buy	Sell	Net*	Buy	Sell	Net*
US Dollar	Indian Rupee	44.10	48.83	(4.73)	62.76	62.70	0.06
Euro	US Dollar	0.80	0.84	(0.04)	2.91	2.46	0.45
GBP	US Dollar	0.75	0.81	(0.06)	0.38	0.87	(0.49)
JPY	US Dollar	3.50	—	3.50	5.46	—	5.46
SEK	US Dollar	0.24	—	0.24	0.77	—	0.77
CHF	US Dollar	0.02	—	0.02	0.11	—	0.11
SGD	US Dollar	0.18	—	0.18	0.50	—	0.50
CAD	US Dollar	—	0.06	(0.06)	—	0.11	(0.11)
AUD	US Dollar	0.06	...	0.06	—	0.10	(0.10)

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

- (x) The Members of the Company had approved the Scheme of Arrangement on 24th March, 2014 between its subsidiary Wimco Limited ('Wimco') and the Company and their respective shareholders under Sections 391 and 394 read with Sections 78, 80, 100 and other applicable provisions of the Companies Act, 1956 for demerger of the Non-Engineering Business including Safety Matches and Agri (Forestry) Business of Wimco to the Company on a going concern basis with effect from 1st April, 2013. The Hon'ble High Courts at Bombay and Calcutta had sanctioned the Scheme on 10th April, 2014 and 14th May, 2014, respectively. The Scheme became effective on 27th June, 2014 on filing of the Order of the Hon'ble High Court with the respective Registrars of Companies. Consequent to such filing, Scheme has been given effect to, in the financial statements during the financial year ended 31st March, 2015.

Pavan Poplar Limited and Prag Agro Farm Limited engaged in the business of agro-forestry and other related activities, have become direct subsidiaries of the Company with effect from 27th June, 2014, consequent upon the Scheme becoming effective.

Notes to the Financial Statements

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

The accounting of this Arrangement was done as per the Scheme and the same has been given effect to in the financial statements as under:

- the assets and liabilities of the Non-Engineering business of Wimco as at 1st April, 2013 have been taken over at their book values subject to adjustments as specified in the Scheme.
- cancellation of the carrying amount of the Company's investment in Equity amounting to ₹ 113.19 Crores and Preference Shares amounting to ₹ 50.00 Crores of Wimco to the extent attributable to the Non-Engineering business of Wimco.
- in consideration of the above, the Company issued and allotted 87,761 Ordinary Shares of ₹ 1.00 each as fully paid-up to the shareholders of Wimco in the ratio of 2 Ordinary Shares of ₹ 1.00 each of the Company for every 77 Equity Shares of ₹ 1.00 each of Wimco.
- the excess of the value of the net assets of the Non-Engineering business of Wimco over the sum of face value of the shares allotted and cancellation of the Company's investment in Wimco, amounting to ₹ 91.00 Crores was debited to General Reserve. Further, earlier unrecognised net deferred tax assets of ₹ 45.84 Crores on carry forward of business losses and other net timing differences of Wimco have been recognised as an adjustment to revenue reserves.

Further, the loss of ₹ 8.01 Crores for the year from 1st April, 2013 (the appointed date) to 31st March, 2014 has been recognised as an adjustment to the revenue reserves.

The results for the financial year ended 31st March, 2015 reflect the effect of the Scheme. Consequently, the figures for the current year are not strictly comparable.

- Pursuant to the enactment of the Companies Act 2013, (the 'Act'), the Company has, effective 1st April 2014, reviewed and revised the estimated useful lives of its fixed assets, in accordance with the provisions of Schedule II of the Act. In respect of assets, whose useful life is exhausted as at 1st April, 2014, the related carrying amount aggregating to ₹ 48.32 Crores (net of deferred tax of ₹ 24.88 Crores) has been adjusted against opening balance of Surplus in the Statement of Profit and Loss. The consequential impact on the depreciation charged to the Statement of Profit and Loss during the year on account of the aforesaid change in useful lives is not material.
- a) Details of Opening and Closing Stock of Finished Goods (manufactured) and Stock-in-Trade (goods purchased for resale)

	As at 31st March, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
Opening 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	2298.01	397.22	2526.79
Acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)]				
Others (Safety Matches)	0.40	0.40	—	—
Closing Stock				
Cigarettes	1731.54		1309.87	
Branded Packaged Food Products	229.99		212.14	
Agri Products / Commodities (Soya, Spices, Coffee, Aqua, Agri Inputs etc.)	259.44		251.99	
Paperboards and Paper	114.11		90.06	
Printed Materials	5.02		6.94	
Others (Apparel, Education and Stationery Products, Personal Care Products, Safety Matches, Agarbattis etc.)	553.98	2894.08	427.01	2298.01

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, 2015 (₹ in Crores)		As at 31st March, 2014 (₹ in Crores)	
Opening 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 etc.)	7.22	142.29	8.46	155.02
Acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)]				
Paperboards and Paper	2.28		—	
Others (Safety Matches)	0.75	3.03	—	—
Closing Stock				
Branded Packaged Food Products	17.94		15.69	
Paperboards and Paper	136.84		103.55	
Printed Materials	20.78		15.83	
Others (Apparel, Personal Care Products etc.)	5.26	180.82	7.22	142.29

	For the year ended 31st March, 2015 (₹ in Crores)	For the year ended 31st March, 2014 (₹ in Crores)
(xiii) Value of Imports during the year (C.I.F. Basis)		
Raw materials	1429.00	1102.25
Components and spare parts (including stores)	68.92	82.35
Purchase of Trademarks	43.65	—
Capital goods	292.56	729.69
Other goods*	17.98	32.08
TOTAL	1852.11	1946.37

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

(xiv) Expenditure in Foreign Currency during the year

Professional fees	24.68	37.23
Hotel reservation / Marketing expenses	30.45	35.62
Export promotion expenses	5.66	6.70
Agency commission	10.13	8.33
Interest	2.39	—
Licence fees	5.04	2.99
Miscellaneous expenditure*	38.29	36.11
TOTAL	116.64	126.98

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

Notes to the Financial Statements

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

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

	(Percentage)		For the year ended 31st March, 2015 (₹ in Crores)	For the year ended 31st March, 2014 (₹ in Crores)
	2015	2014		
Raw materials (including packing material)				
Imported	13.86	12.18	1523.07	1249.66
Indigenous	86.14	87.82	9464.76	9013.62
TOTAL	100.00	100.00	10987.83	10263.28
Spare parts and Components				
Imported	28.59	36.15	66.13	85.77
Indigenous	71.41	63.85	165.20	151.52
TOTAL	100.00	100.00	231.33	237.29

(xvi) Dividend remittance in foreign currency

Year of Remittance	On Account of Financial Year	No. of Non-Resident Shareholders	No. of Shares held	(₹ in Crores)
2014/2015	2013/2014	53	2,43,48,32,720	1460.90
2013/2014	2012/2013	53	2,43,74,10,523	1279.64

(xvii) Earnings in foreign exchange during the year

	For the year ended 31st March, 2015 (₹ in Crores)	For the year ended 31st March, 2014 (₹ in Crores)
Export of Goods (F.O.B.)	4253.18	3743.69
Hotel earnings	779.01	496.41
Freight and Insurance recoveries	42.46	28.30
Interest	—	3.25
Dividend	12.37	13.05
Other earnings*	8.97	5.68
TOTAL	5095.99	4290.38

* Consist of finance and storage charges and sundry recoveries.

(xviii) 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 during the financial year ended 31st March, 2014, 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) during the financial year ended 31st March, 2014.

Notes to the Financial Statements

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

(xix) Information regarding Employee Stock Option Scheme :

1)	Method used to account for share-based payment plans :	The employee compensation cost has been calculated using the intrinsic value method of accounting for Options issued under the Company's Employee Stock Option Schemes. The employee compensation cost as per the intrinsic value method for the financial year 2014-15 is Nil.
2)	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan :	<p>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.</p> <p>The vesting period for conversion of Options is as follows:</p> <ul style="list-style-type: none"> 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 <p>The Company granted 68,26,355 Options during 2014-15 (2014 - 67,90,925) to the eligible employees of the Company and some of its subsidiary companies.</p> <p>The Pricing Formula, as approved by the Shareholders of the Company, is such price which is no lower than the closing price of the Company's Share on the National Stock Exchange of India Limited ('the NSE') on the date of grant, or the average price of the Company's Share in the six months preceding the date of grant based on the daily closing price on the NSE, or the 'Market Price' as defined from time to time under the erstwhile Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as determined by the Nomination & Compensation Committee.</p> <p>The Options have been granted at 'market price' as defined from time to time under the aforesaid Guidelines.</p> <p>In the financial year 2014-15, Options were granted at ₹ 3572.00 per Option.</p>

3) Summary of the status of Options :

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of options	Weighted Average Exercise Prices (₹)	No. of options	Weighted Average Exercise Prices (₹)
Outstanding at the beginning of the year	2,65,81,347	2120.63	2,50,68,082	1731.31
Add: Granted during the year	68,26,355	3572.00	67,90,925	2979.00
Less: Lapsed during the year	2,47,678	2753.48	1,42,676	2458.95
Less: Exercised during the year	62,24,883	1572.39	51,34,984	1345.82
Outstanding at the end of the year	2,69,35,141	2609.34	2,65,81,347	2120.63
Options exercisable at the end of the year	1,30,61,292	2003.27	1,31,43,768	1572.58

- 4) The Options were exercised throughout the year and weighted average share price of Shares arising upon exercise of Options, based on the closing market price on NSE on the date of exercise of Options (i.e. the date of allotment of shares by the Securityholders Relationship Committee) for the year ended 31st March, 2015 was ₹ 357.59 (31st March, 2014 - ₹ 333.70).

Notes to the Financial Statements

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

5) Summary of Options outstanding, scheme-wise:

Particulars	As at 31st March, 2015			As at 31st March, 2014		
	No. of Options Outstanding	Range of Exercise Prices (₹)	Weighted average remaining contractual life	No. of Options Outstanding	Range of Exercise Prices (₹)	Weighted average remaining contractual life
ITC Employee Stock Option Scheme (introduced in 2001)	4,22,036	2023.50	1.41	9,01,030	2023.50	2.41
ITC Employee Stock Option Scheme 2006	54,26,488	830.50 - 3572.00	2.38	95,45,929	830.50 - 2979.00	3.09
ITC Employee Stock Option Scheme 2010	2,10,86,617	2023.50 - 3572.00	5.32	1,61,34,388	2023.50 - 2979.00	5.70

- 6) A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted.
- The significant assumptions used to ascertain the above.
- The fair value of each Option is estimated using the Black Scholes Option Pricing model.
- Weighted average exercise price per Option : ₹ 3572.00
- Weighted average fair value per Option : ₹ 894.52

The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:

(i) Risk-free interest rate	8.53%
(ii) Expected life	3.18 years
(iii) Expected volatility	23.29%
(iv) Expected dividends	1.82%
(v) The price of the underlying shares in market at the time of Option grant (One Option = 10 Ordinary Shares)	₹ 3592.50

- 7) The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. The period considered for the working is commensurate with the expected life of the options and is based on the daily volatility of the Company's stock price on NSE.

- 8) Difference between the employee compensation cost so computed at (1) above and the employee compensation cost that shall have been recognised if it had used the fair value of the Options.
- ₹ 529.44 crores

- 9) The impact of this difference on profits and on Earnings Per Share of the Company.
- The effect on the profits and earnings per share, had the fair value method been adopted, is presented below:
- | | |
|--|-----------------------------------|
| Profit After Tax | ₹ in Crores |
| As reported | 9607.73 |
| Add: Intrinsic Value Compensation Cost | Nil |
| Less: Fair Value Compensation Cost (Black Scholes model) | 529.44 |
| Adjusted Profit | 9078.29 |
| Earnings Per Share | Basic (₹) Diluted (₹) |
| As reported | 12.05 11.93 |
| As adjusted | 11.38 11.27 |

(xx) 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)

	External Sales	2015 Inter Segment Sales	Total	External Sales	2014 Inter Segment Sales	Total
1. Segment Revenue						
FMCG - Cigarettes	30452.38	—	30452.38	29076.48	—	29076.48
FMCG - Others	9028.27	9.73	9038.00	8111.98	9.82	8121.80
FMCG - Total	39480.65	9.73	39490.38	37188.46	9.82	37198.28
Hotels	1173.55	13.46	1187.01	1121.45	11.40	1132.85
Agri Business	5672.07	2708.41	8380.48	5130.09	2621.96	7752.05
Paperboards, Paper and Packaging	3638.55	1643.02	5281.57	3272.62	1893.42	5166.04
Segment Total	49964.82	4374.62	54339.44	46712.62	4536.60	51249.22
Eliminations			(4374.62)			(4536.60)
Gross Revenue from sale of products and services			49964.82			46712.62
2. Segment Results						
FMCG - Cigarettes [Refer Note 31(xviii)]			11196.27			10015.91
FMCG - Others			34.08			21.82
FMCG - Total			11230.35			10037.73
Hotels			49.08			139.71
Agri Business			903.97			834.78
Paperboards, Paper and Packaging			921.48			892.46
Segment Total			13104.88			11904.68
Eliminations			(60.12)			(115.70)
Consolidated Total			13044.76			11788.98
Unallocated corporate expenses net of unallocated income			512.40			226.55
Profit before interest etc. and taxation			12532.36			11562.43
Finance costs [Refer Note 31(xviii)]			57.42			2.95
Interest earned on loans and deposits, income from current and long-term investments, profit and loss on sale of investments etc. - Net			1522.58			1099.63
Profit before tax			13997.52			12659.11
Tax expense			4389.79			3873.90
Profit for the year			9607.73			8785.21
3. Other Information						
	Segment Assets	Segment Liabilities*		Segment Assets	Segment Liabilities*	
FMCG - Cigarettes	8004.99	2186.41		7811.97	2106.49	
FMCG - Others	4849.14	861.29		4216.13	832.60	
FMCG - Total	12854.13	3047.70		12028.10	2939.09	
Hotels [Refer Note 10(8)]	4654.05	353.09		3917.15	291.76	
Agri Business	2650.59	691.75		2908.63	856.19	
Paperboards, Paper and Packaging	5921.98	496.07		5863.48	544.40	
Segment Total	26080.75	4588.61		24717.36	4631.44	
Unallocated Corporate Assets/Liabilities	18582.65	9339.10		14956.53	8780.43	
Total	44663.40	13927.71		39673.89	13411.87	
	Capital expenditure	Depreciation and amortisation	Non Cash expenditure other than depreciation	Capital expenditure	Depreciation and amortisation	Non Cash expenditure other than depreciation
FMCG - Cigarettes	533.49	247.51	3.21	799.81	256.38	0.15
FMCG - Others	671.53	177.61	20.15	461.10	143.16	11.74
FMCG - Total	1205.02	425.12	23.36	1260.91	399.54	11.89
Hotels [Refer Note 10(8)]	956.93	190.30	3.27	282.86	125.48	4.90
Agri Business	214.42	48.75	2.82	84.35	37.63	1.77
Paperboards, Paper and Packaging	154.14	231.95	6.87	662.90	295.28	15.46
Segment Total	2530.51	896.12	36.32	2291.02	857.93	34.02

* Segment Liabilities of FMCG - Cigarettes is before considering ₹ 629.98 Crores (2014 - ₹ 667.98 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)

	2015	2014
1. Segment Revenue		
– Within India	45454.05	42667.06
– Outside India	4510.77	4045.56
Total	49964.82	46712.62
2. Segment Assets		
– Within India	26080.75	24715.09
– Outside India	–	2.27
Total	26080.75	24717.36
3. Capital Expenditure		
– Within India	2530.51	2291.02
– Outside India	–	–
Total	2530.51	2291.02

NOTES:

- 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.
- The business groups comprise the following:

FMCG :	Cigarettes	– Cigarettes, Cigars etc.
:	Others	– Branded Packaged Foods Businesses (Bakery and Confectionery Foods; Snack Foods; Staples, Spices and Ready to Eat Foods etc.); 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.
- The geographical segments considered for disclosure are:

– Sales within India.
– Sales outside India.
- 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.
- 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.
- The Segment Results for Hotels are after considering an incremental charge of ₹ 57.72 Crores for the twelve months ended 31st March, 2015 towards depreciation from the review and revision of estimated useful lives of fixed assets in accordance with the provisions of Schedule II to the Companies Act, 2013. The impact of such revision on the results of all other reported Segments is not material [Refer Note 31(xi)].

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
 - i) Pavan Poplar Limited ¹
 - j) Prag Agro Farm Limited ¹
 - k) ITC Infotech India Limited and its subsidiaries
ITC Infotech Limited, UK
ITC Infotech (USA), Inc. and its subsidiary
Pyxis Solutions, LLC, USA
 - l) Wills Corporation Limited
 - m) Gold Flake Corporation Limited
 - n) ITC Investments & Holdings Limited and its subsidiary
MRR Trading & Investment Company Limited (w.e.f. 30.03.2015)
 - o) Surya Nepal Private Limited
 - p) King Maker Marketing, Inc., USA
 - q) BFIL Finance Limited and its subsidiary
MRR Trading & Investment Company Limited (upto 29.03.2015)
 - r) North East Nutrients Private Limited
- The above list does not include ITC Global Holdings Pte. Limited, Singapore (in liquidation)

¹ Pursuant to the Scheme of Arrangement [Refer Note 31(x)]

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
- 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 ²	Non-Executive Director
S. Banerjee ¹	Non-Executive Director (w.e.f. 24.07.2014)
A. Duggal ²	Non-Executive Director (w.e.f. 15.09.2014)
S. H. Khan ²	Non-Executive Director
A. V. Girija Kumar	Non-Executive Director
R. Lerwill	Non-Executive Director
S. B. Mainak	Non-Executive Director (w.e.f. 25.04.2014)
S. B. Mathur ²	Non-Executive Director
P. B. Ramanujam ²	Non-Executive Director
S. S. H. Rehman ²	Non-Executive Director
A. Ruys	Non-Executive Director (ceased w.e.f. 24.07.2014)
M. Shankar ²	Non-Executive Director
K. Vaidyanath	Non-Executive Director

¹ Appointed as Independent Director w.e.f. 30.07.2014

² Appointed as Independent Director w.e.f. 15.09.2014

Members - Corporate Management Committee

- B. B. Chatterjee
A. Nayak
S. Puri (w.e.f. 01.11.2014)
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)
Mrs. S. Rehman (wife of Mr. S. S. H. Rehman)

iii) Employee Trusts where there is significant influence:

- a) IATC Provident Fund
b) IATC Staff X Provident Fund (merged with IATC Provident Fund w.e.f. 01.08.2014)
c) ITC Defined Contribution Pension Fund
d) ITC Management Staff Gratuity Fund
e) ITC Employees Gratuity Fund
f) ITC Gratuity Fund 'C'
g) ITC Pension Fund
h) ILTD Seasonal Employees Pension Fund
i) ITC Platinum Jubilee Pension Fund
j) Tribeni Tissues Limited Gratuity Fund
k) ITC Bhadrachalam Paperboards Limited Management Staff Pension Fund
l) ITC Bhadrachalam Paperboards Limited Gratuity Fund 'A'
m) ITC Bhadrachalam Paperboards Limited Gratuity Fund 'C'
n) 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 31.03.2015

(₹ 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			2015	2014	2015	2014	2015	2014	2015	2014		
		2015	2014	2015	2014											
1.	Sale of Goods/Services	259.46	256.59	0.01	—	0.32	0.80	9.84	8.12						269.63	265.51
2.	Purchase of Goods/Services	135.88	250.18			85.69	88.49	302.99	272.22						524.56	610.89
3.	Acquisition cost of Fixed Assets	2.11	5.69												2.11	5.69
4.	Sale of Fixed Assets/Scraps	—	1.12			0.53	0.88								0.53	2.00
5.	Investments Purchased from Subsidiary ¹	—	1.69												—	1.69
6A.	Investment in Subsidiaries/Joint Ventures	88.79	85.40					3.87	1.24						92.66	86.64
6B.	Conversion of Loan to Equity	—	422.96												—	422.96
7.	Interest Income	11.62	15.81							0.12					11.62	15.93
8.	Remuneration to Key Management Personnel															
	- Directors															
	- Others															
9.	Rent Received	19.47	6.49			1.29	0.47								24.64	23.38
10.	Rent Paid	5.08	8.17			3.20	3.37			23.38					9.83	8.31
11.	Remuneration of Managers on Deputation reimbursed	5.42	4.39	0.19	0.19	3.66	3.66			0.14	0.04	0.66	0.61		20.76	6.96
12.	Remuneration of Managers on Deputation recovered	13.21	11.52			4.56	4.32	1.30	1.18						9.08	12.19
13.	Expenditure towards Corporate Social Responsibility			21.00	—										9.27	8.24
14.	Contribution to Employees' Benefit Plans														19.07	17.02
15.	Dividend Income	347.37	208.81			0.73	0.73								21.00	—
16.	Dividend Payments					1191.34	1042.42			4.19	4.35	...	—		96.10	100.99
17.	Expenses Recovered	13.54	17.84	0.02	0.02	0.74	0.84	0.43	0.40						348.10	209.54
18.	Expenses Reimbursed	8.01	7.15	0.06	0.03	0.51	1.08	0.12	0.17						1195.53	1046.77
19.	Loan Given	8.40	—												14.73	19.10
	[Acquired pursuant to Scheme of Arrangement - Refer Note 31(x)]														8.70	8.43
20.	Receipt towards Loan Repayment	62.90	8.90							—	0.27				8.40	—
21.	Loan Taken														62.90	9.17
	[Acquired pursuant to Scheme of Arrangement - Refer Note 31(x)]														2.00	—
22.	Advances Given during the year	2.00	—				0.02								—	5.68
23.	Adjustment/Receipt towards Refund of Advances	1.95	27.15			0.02	—								1.97	27.15
24.	Advances Received during the year	128.28	100.15												128.28	100.15
25.	Adjustment/Payment towards Refund of Advances	105.86	116.79												105.86	116.79
26.	Deposit Received during the year					—	0.01								—	0.01
27.	Deposits Given during the year	—	5.08												0.02	5.09
28.	Adjustment/Receipt towards Refund of Deposits	50.35	5.00							0.02	0.01	—	0.02		50.35	5.02
29.	Balances as at 31st March															
i)	Receivables	31.46	34.86			0.87	1.00	3.62	3.44						35.95	39.30
ii)	Advances Given	—	1.95			—	0.02								48.48	13.87
iii)	Loans Given	76.02	130.52												76.02	130.52
iv)	Deposits Given	2.60	52.95			0.10	0.10			0.07	0.05	0.30	0.30		3.07	53.40
v)	Loan Taken	2.00	—												2.00	—
vi)	Advance Taken	146.37	123.95												146.37	123.95
vii)	Deposit Taken					0.10	0.10								0.10	0.10
viii)	Payables	3.04	1.28			8.41	5.60	4.73	2.22						34.94	22.87
ix)	Investment in Non-Convertible Debentures	15.00	15.00												15.00	15.00
30.	Provision for Subsidiary as at 31st March	55.95	47.55												55.95	47.55

¹ Unquoted Investments purchased, at cost, during the year from subsidiary Nil (2014 – ₹ 1.69 Crores).

Also refer the Scheme of Arrangement between Wimco Limited, a Subsidiary Company and the Company [Refer Note 31(x)].

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)

(₹ in Crores)

RELATED PARTY TRANSACTIONS SUMMARY		2015	2014
1. Sale of Goods/Services	Surya Nepal Private Limited King Maker Marketing, Inc.	225.22 28.65	229.43 21.69
2. Purchase of Goods/Services	ITC Infotech India Limited Wimco Limited International Travel House Limited ITC Essentra Limited	129.36 — 61.67 302.73	111.88 133.66 66.19 271.98
3. Acquisition cost of Fixed Assets	Wimco Limited	2.08	5.57
4. Sale of Fixed Assets/Scraps	ATC Limited Srinivasa Resorts Limited	0.53 —	0.88 1.12
5. Investments Purchased from Subsidiary	Russell Credit Limited	—	1.69
6A. Investment in Subsidiaries/Joint Ventures	Landbase India Limited WelcomHotels Lanka (Private) Limited North East Nutrients Private Limited	28.00 24.06 36.73	50.00 24.02 11.38
6B. Conversion of Loan to Equity	WelcomHotels Lanka (Private) Limited	—	422.96
7. Interest Income	BFIL Finance Limited WelcomHotels Lanka (Private) Limited Surya Nepal Private Limited	4.28 — 7.34	— 3.25 12.56
8. Remuneration to Key Management Personnel – Directors & Others	Mr. Y. C. Deveshwar	13.85	13.68
9. Rent Received	Srinivasa Resorts Limited ITC Infotech India Limited Surya Nepal Private Limited	— 15.41 3.81	1.64 2.36 2.42
10. Rent Paid	Bay Islands Hotels Limited Wimco Limited Landbase India Limited Gujarat Hotels Limited Technico Agri Sciences Limited	1.29 — 1.97 3.20 1.05	1.46 4.24 — 3.37 1.04
11. Remuneration of Managers on Deputation reimbursed	Bay Islands Hotels Limited Gujarat Hotels Limited Fortune Park Hotels Limited ITC Infotech India Limited Landbase India Limited Technico Agri Sciences Limited	0.97 3.44 1.34 0.94 1.23 0.95	1.17 3.42 0.40 0.84 1.11 0.87

RELATED PARTY TRANSACTIONS SUMMARY		2015	2014
27. Deposits Given during the year	Srinivasa Resorts Limited Mr. R. Tandon	— 0.02	5.00 —
28. Adjustments/Receipt towards Refund of Deposits	Srinivasa Resorts Limited Wimco Limited	— 50.35	5.00 —
29. Balances as at 31st March			
i) Receivables	Surya Nepal Private Limited King Maker Marketing, Inc.	20.07 7.05	29.57 —
ii) Advances Given	Employees Trust - Pension Funds Wimco Limited	48.48 —	11.90 1.95
iii) Loans Given	Surya Nepal Private Limited ¹ BFIL Finance Limited ² and ³ Prag Agro Farm Limited ⁴	35.07 32.55 8.40	97.97 32.55 —
iv) Deposits Given	Wimco Limited ⁵ Russell Credit Limited ⁶ Greenacre Holdings Limited ⁷ Wills Corporation Limited ⁸ Classic Infrastructure & Development Limited ⁹	— 0.12 2.24 0.24 0.10	50.35 0.12 2.24 0.24 0.10
v) Loan Taken	Pavan Poplar Limited ¹⁰	2.00	—
vi) Advance Taken	Surya Nepal Private Limited	146.37	123.95
vii) Deposit Taken	International Travel House Limited	0.10	0.10
viii) Payables	Employees Trust - Gratuity Funds International Travel House Limited Investment in Non-Convertible Debentures	34.94 5.22	22.87 3.13
ix) Investment in Non-Convertible Debentures	BFIL Finance Limited ²	15.00	15.00
30. Provision for Subsidiary as at 31st March	BFIL Finance Limited - Debentures and Loan Prag Agro Farm Limited - Loan	47.55 8.40	47.55 —

- Interest @12% p.a. for funding its capital expenditure requirements and for general business purposes. Repayable by 31.03.2016 with a prepayment option. The maximum indebtedness during the year was ₹97.97 Crores (2014 - ₹106.88 Crores).
- Interest @ 9% p.a. (w.e.f. 01.04.2014) for meeting working capital requirements - ₹47.55 Crores, repayable by 31.03.2016.
- The maximum indebtedness during the year was ₹32.55 Crores (2014 - ₹32.55 Crores).
- Interest free loan for business purposes; acquired pursuant to the Scheme of Arrangement [Refer Note 31(x)]. The maximum indebtedness during the year was ₹8.40 Crores (2014 - Nil).
- The maximum indebtedness during the year was ₹50.35 Crores (2014 - ₹50.35 Crores).
- The maximum indebtedness during the year was ₹0.12 Crores (2014 - ₹0.12 Crores).
- The maximum indebtedness during the year was ₹2.24 Crores (2014 - ₹2.24 Crores).
- The maximum indebtedness during the year was ₹0.24 Crores (2014 - ₹0.24 Crores).
- The maximum indebtedness during the year was ₹0.10 Crores (2014 - ₹0.10 Crores).
- Interest free loan taken pursuant to the Scheme of Arrangement [Refer Note 31(x)].

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, 2013.

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 Schedule III to the Companies Act, 2013 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 (or other amount substituted for cost), less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 other than Intangible (Know-how, Business and Commercial Rights, Trademarks), which are amortised over the estimated period of benefit or contractual terms, as applicable. 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 transfer to Revaluation Reserve the increase in the net book value of such Fixed Assets arising on revaluation. To account for the depreciation on such revalued Fixed Assets over the unexpired useful life of such Fixed Assets; to transfer to General Reserve the amount standing to the credit of Revaluation Reserve on account of a revalued asset that is retired/derecognised.

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

K. N. GRANT	Director	Y. C. DEVESHWAR	Chairman
R. TANDON	Chief Financial Officer	B. B. CHATTERJEE	Company Secretary

Kolkata
22nd May, 2015