

# Schedules to the Accounts

(Figures for the previous year have been rearranged to conform with the revised presentation)

	As at 31st March, 2008 (Rs. in Crores)	As at 31st March, 2007 (Rs. in Crores)
<b>1. Capital</b>		
Authorised		
5,00,00,00,000 Ordinary Shares of Re. 1.00 each (2007 - 5,00,00,00,000 Ordinary Shares of Re.1.00 each)	500.00	500.00
Issued & Subscribed		
3,76,86,10,050 Ordinary Shares of Re.1.00 each, fully paid (2007 - 3,76,22,22,780 Ordinary Shares of Re.1.00 each, fully paid)	376.86	376.22
A) Of the above, following were allotted:		
a) as fully paid up Bonus Shares –		
3,79,00,000 in 1978-79 by Capitalisation of Capital Reserve, Share Premium Reserve and General Reserve;		
4,54,80,000 in 1980-81 by Capitalisation of Capital Reserve and General Reserve;		
33,16,81,100 in 1989-90 by Capitalisation of Capital Reserve, Share Premium Reserve, Export Promotion Reserve and General Reserve;		
39,80,17,320 in 1991-92 by Capitalisation of General Reserve;		
1,21,31,81,770 in 1994-95 by Capitalisation of General Reserve;		
1,25,17,12,290 in 2005-06 by Capitalisation of General Reserve.		
b) as fully paid up Shares –		
10,59,50,750 in 1991-92 consequent to the amalgamation of erstwhile Tribeni Tissues Limited to the Shareholders of erstwhile Tribeni Tissues Limited.		
2,09,69,820 in 2002-03 consequent to the amalgamation of erstwhile ITC Bhadrachalam Paperboards Limited to the Shareholders of erstwhile ITC Bhadrachalam Paperboards Limited.		
1,21,27,470 in 2005-06 consequent to the amalgamation of erstwhile ITC Hotels Limited & Ansal Hotels Limited to the Shareholders of erstwhile ITC Hotels Limited & Ansal Hotels Limited.		
B) Under Employee Stock Option Scheme the Company has granted (net of Options lapsed*) :		
a) 5,54,180 (2007 – 5,63,891) Options in 2002-03, all of which have been exercised.		
b) 10,91,728 (2007 – 10,91,728) Options in 2003-04 (including 1,83,501 Bonus Options allocated on unvested Options), of which 10,78,605 vested Options have been exercised.		
c) 10,88,158 (2007 – 10,90,259) Options in 2004-05 (including 2,85,987 Bonus Options allocated on unvested Options), of which 7,26,251 vested Options have been exercised.		
d) 13,80,055 (2007 – 13,99,818) Options in 2005-06 (including 4,75,638 Bonus Options allocated on unvested Options), of which 3,06,478 vested Options have been exercised.		
e) 54,00,643 (2007 – 57,59,125) Options in 2006-07, of which 16,107 vested Options have been exercised.		
f) 50,79,243 Options in 2007-08, of which no Option has been exercised.		

## Note:

Each Option entitles the holder thereof to apply for and be allotted 10 Ordinary Shares of the face value of Re.1.00 each.

\* Includes Options which were not exercised during the relevant Exercise Period.

# Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
2. Reserves And Surplus				
General Reserve				
At commencement of the year	8501.45		7251.62	
Less: Adjustment consequent to recomputation as of 01.04.2006 of liability for defined benefit plans in accordance with the provisions of AS -15 (Revised) : Employee Benefits (Net of deferred tax Rs. 0.08 Crores)	—		0.17	
Add: From Profit and Loss Account	<u>1500.00</u>	<b>10001.45</b>	<u>1250.00</u>	<b>8501.45</b>
Share Premium				
At commencement of the year	488.97		447.28	
Add: On issue of Shares	<u>43.99</u>	<b>532.96</b>	<u>41.69</u>	<b>488.97</b>
Capital Reserve		<b>2.48</b>		<b>2.48</b>
Capital Redemption Reserve		<b>0.30</b>		<b>0.30</b>
Revaluation Reserve				
At commencement of the year	57.08		59.17	
Less: To Profit and Loss Account				
– Depreciation	0.72		1.48	
– Disposal of Fixed Assets	<u>0.24</u>	<b>56.12</b>	<u>0.61</u>	<b>57.08</b>
Contingency Reserve		<b>363.05</b>		<b>363.05</b>
Profit and Loss Account		<b>724.45</b>		<b>647.53</b>
	<u>11680.81</u>		<u>10060.86</u>	

<b>3. Secured Loans</b>				
Loans and Advances from Banks				
Cash/Export Credit Facilities *		<u>5.57</u>		<u>60.78</u>
		<b>5.57</b>		<b>60.78</b>

\* Secured by charge over certain current assets of the Company, both present and future.

## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)	As at 31st March, 2007 (Rs. in Crores)
<b>4 . Unsecured Loans</b>		
Short Term Loans		
From Banks – Temporary overdraft in cash credit account	–	15.84
– Export Credit Facilities	86.34	–
Other Loans		
From Banks		
(Due within one year Rs. 5.57 Crores, 2007 – Rs. 1.42 Crores)	31.84	30.45
From Others – Sales tax deferment loan (interest free)		
(Due within one year Rs. 0.24 Crore, 2007 – Rs. 0.28 Crore)	90.68	93.81
	<b>208.86</b>	<b>140.10</b>
<b>5 . Deferred Tax - Net</b>		
Deferred Tax Liabilities		
On fiscal allowances on fixed assets	706.31	612.33
On excise duty on closing stock	126.48	115.93
	<b>832.79</b>	<b>728.26</b>
Deferred Tax Assets		
On employees' separation and retirement etc.	19.85	20.26
On provision for doubtful debts/advances	6.19	5.91
On State and Central taxes etc.	261.61	229.11
Other timing differences	0.07	0.13
	<b>287.72</b>	<b>255.41</b>
<b>Deferred Tax - Net</b>	<b>545.07</b>	<b>472.85</b>

## Schedules to the Accounts

### 6. Fixed Assets

	@ As at commencement of the year (Rs. in Crores)	Additions (Rs. in Crores)	Withdrawals and adjustments (Rs. in Crores)	@ As at the end of the year (Rs. in Crores)	Depreciation for the year (Rs. in Crores)	Depreciation on Withdrawals and adjustments (Rs. in Crores)	Depreciation upto 31st March, 2008 (Rs. in Crores)	Net Book Value as at 31st March, 2008 (Rs. in Crores)
Trademarks & Goodwill	10.89	0.05	–	10.94	0.60	–	3.59	7.35
Know-how, Business and Commercial Rights	60.36	–	–	60.36	7.59	–	25.29	35.07
Land Freehold *	475.73	225.21	0.22	700.72	–	–	–	700.72
Buildings Freehold *	1280.64	267.05	6.40	1541.29	29.43	2.57	236.59	1304.70
Leasehold Properties	89.94	31.36	0.51	120.79	1.15	0.47	5.99	114.80
Licensed Properties - Building Improvement	16.40	13.37	–	29.77	3.07	–	7.36	22.41
Railway Sidings etc.	1.17	–	–	1.17	0.05	–	0.73	0.44
Plant & Machinery	4445.58	1211.80	28.72	5628.66	305.86	19.40	2096.61	3532.05
Capitalised Software	68.64	37.89	–	106.53	16.46	–	43.24	63.29
Computers, Servers and Other I.T. Equipments	315.08	35.02	6.32	343.78	41.66	5.85	190.02	153.76
Furniture & Fixtures	319.36	47.08	8.03	358.41	28.36	6.31	167.69	190.72
Motor Vehicles etc.	50.52	14.02	7.26	57.28	4.95	3.25	13.76	43.52
	<b>7134.31</b>	<b>1882.85</b>	<b>57.46</b>	<b>8959.70</b>	<b>439.18</b>	<b>37.85</b>	<b>2790.87</b>	<b>6168.83</b>
Capital Work-in-Progress	866.14	1897.87	1637.19	1126.82	–	–	–	1126.82
<b>Total</b>	<b>8000.45</b>	<b>3780.72</b>	<b>1694.65</b>	<b>10086.52</b>	<b>439.18</b>	<b>37.85</b>	<b>2790.87</b>	<b>7295.65</b>
Previous Year	6470.57	2401.48	871.60	8000.45	364.40	40.30	2389.54	5610.91

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

Land Freehold includes the provisional purchase price of (a) Rs. 14.81 Crores in respect of land at Bangalore. Final purchase price is to be determined by the Karnataka Industrial Areas Development Board, on settlement of which and on execution of a Sale Deed, title will pass to the Company in 21 years time from the date of agreement (b) Rs. 7.60 Crores in respect of land at Mysore. Final purchase price is to be determined by the Karnataka Industrial Areas Development Board, on settlement of which and on execution of a Sale Deed, title will pass to the Company in 6 years time from the date of agreement.

Land Freehold includes certain lands at Munger acquired by the Government of India under the Bihar Land Reform Act, 1950 for which compensation has not yet been determined.

The Suit filed by third party in September 1980 for cancellation of lease in respect of Wakf land in Bangalore pertaining to ITC Windsor has been dismissed. Consequently the resolution passed by the Wakf Board on 3rd, 4th and 5th, June 1981, cancelling the lease got revived. The resolution has been challenged before the Wakf Tribunal and the matter is sub judice. Dispossession has been stayed by the Hon'ble High Court of Karnataka in separate proceedings which is also applicable to the proceedings before Wakf Tribunal. In the opinion of the management based upon legal advice, the Company's title to the property is tenable.

Buildings Freehold include Rs. 328.39 Crores (2007 - Rs. 162.98 Crores) aggregate cost of building on leasehold land situated at various locations.

Trademarks purchased Rs. 6.04 Crores (2007 - Rs. 5.99 Crores) under "Trademarks & Goodwill" are being amortised over 10 years.

Out of the total amount of "Know-how, Business and Commercial Rights" aggregating Rs. 60.36 Crores (2007 - Rs. 60.36 Crores) :-

– Rs. 47.34 Crores (2007 - Rs. 47.34 Crores) acquired in earlier years are being amortised over 10 years.

– Rs. 4.97 Crores (2007 - Rs. 4.97 Crores) acquired in earlier years are being amortised over 4 years.

– Rs. 8.05 Crores (2007 - Rs. 8.05 Crores) acquired in earlier years are being amortised over 5 years.

Applications for exemption in respect of vacant land under the Urban Land (Ceiling & Regulation) Act, 1976 have been made, wherever applicable.

Capital expenditure commitments are Rs. 886.67 Crores (2007 - Rs. 794.58 Crores).

Capital Work-in-Progress includes intangible assets yet to be capitalised Rs. 19.53 Crores (2007 - Rs. 26.04 Crores).

Depreciation for the year includes Rs. 0.72 Crore (2007 - Rs. 1.48 Crores) transferred from Revaluation Reserve in respect of revalued assets.

\* Includes certain properties for which deeds of conveyance are awaited.

## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
	Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments</b>				
<b>Long Term</b>				
<b>A. TRADE INVESTMENTS</b>				
International Travel House Limited 2,87,600 Equity Shares of Rs. 10.00 each, fully paid	0.65		0.65	
Gujarat Hotels Limited 17,33,907 Equity Shares of Rs. 10.00 each, fully paid	1.94		1.94	
CLi3L e-Services Limited 1,49,99,999 Equity Shares of Rs. 10.00 each, fully paid		51.13		51.13
Hill Properties Limited 3 Class 'A' Equity Shares of Rs. 1,20,000.00 each, Rs. 1,18,000.00 per share paid		0.04		0.04
Modern Flats Private Limited 4,300 Equity Shares of Rs. 10.00 each, fully paid (cost Rs. 43,000.00)		...		...
Punjab Anand Batteries Limited (in liquidation) 11,86,157 Equity Shares of Rs. 10.00 each, fully paid - under Board for Industrial and Financial Reconstruction's Order of 20.04.1989 *		1.19		1.19
Andhra Pradesh Gas Power Corporation Limited 8,04,000 Equity Shares of Rs. 10.00 each, fully paid		2.32		2.32
Cuffe Parade Sealord Co-operative Housing Society Limited 10 Shares of Rs. 50.00 each, fully paid (cost Rs. 500.00)		...		...
Tulsiani Chambers Premises Co-operative Society Limited 5 Shares of Rs. 50.00 each, fully paid (cost Rs. 250.00)		...		...
Atur Park Co-operative Housing Society Limited 5 Shares of Rs. 50.00 each, fully paid (cost Rs. 250.00)		...		...
Maharaja Heritage Resorts Limited 90,000 Equity Shares of Rs. 100.00 each, fully paid		0.90		0.90
Bihar Hotels Limited 8,00,000 Equity Shares of Rs. 2.00 each, fully paid [(2007 - 40,000 Equity Shares of Rs. 10.00 each, fully paid) consequent to Sub-division and issue of Bonus Shares during the year]		0.04		0.04
<b>B. SUBSIDIARY COMPANIES</b>				
Gold Flake Corporation Limited 1,59,98,385 Ordinary Shares of Rs. 10.00 each, fully paid		16.00		16.00
Wills Corporation Limited 48,85,626 Ordinary Shares of Rs. 10.00 each, fully paid		4.88		4.88
Russell Credit Limited 59,74,54,177 Equity Shares of Rs. 10.00 each, fully paid 7,54,22,400 Equity Shares of Rs. 10.00 each, Rs. 6.50 per share paid		619.29 39.22		619.29 39.22
ITC Infotech India Limited 2,52,00,000 Equity Shares of Rs. 10.00 each, fully paid		25.14		25.14
Landbase India Limited 40,00,000 Equity Shares of Rs. 10.00 each, fully paid		12.57		12.57
ITC Global Holdings Pte. Limited (under liquidation) 89,99,645 Ordinary Shares of US \$ 1.00 each, fully paid *		25.58		25.58
BFIL Finance Limited 2,00,00,000 Equity Shares of Rs. 10.00 each, fully paid 15,00,000 - 18.5% Non-Convertible Debentures of Rs. 100.00 each, renewed at 0%		20.00 15.00		20.00 15.00
Carried over	2.59	833.30	2.59	833.30

# Schedules to the Accounts

		As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
		Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments (Contd.)</b>					
SUBSIDIARY COMPANIES (Contd.)	Brought forward	2.59	833.30	2.59	833.30
Surya Nepal Private Limited 19,82,400 Ordinary Shares of Nepalese Rs. 100.00 each, fully paid			7.05		7.05
Srinivasa Resorts Limited 1,63,20,477 Equity Shares of Rs. 10.00 each, fully paid			18.53		18.53
Fortune Park Hotels Limited 4,50,008 Equity Shares of Rs. 10.00 each, fully paid			0.45		0.45
Bay Islands Hotels Limited 11,875 Equity Shares of Rs. 100.00 each, fully paid			0.12		0.12
King Maker Marketing Inc. 204 Shares of Common Stock with no par value (100 Shares acquired during the year)			10.23		0.01
<b>C. DEPOSITS WITH OR FOR DEPOSIT WITH VARIOUS AUTHORITIES</b>					
Government Securities (2007 - cost Rs. 94,500.00)			0.01		0.01
<b>D. OTHER INVESTMENTS</b>					
Coffee Futures Exchange India Limited 1 Equity Share of Rs. 10,000.00 each, fully paid (cost Rs. 10,000.00)			...		...
Woodlands Hospital & Medical Research Centre Limited (formerly The East India Clinic Limited) 1/2 % Registered Debentures, fully paid (cost Rs. 15,200.00) 5% Registered Debentures, fully paid			0.01		0.01
Tourism Finance Corporation of India Limited 25,000 Equity Shares of Rs. 10.00 each, fully paid		0.05		0.05	
<b>Total Long Term Investments (At cost)</b>		<b>2.64</b>	<b>869.70</b>	<b>2.64</b>	<b>859.48</b>
<b>Current</b>					
<b>OTHER INVESTMENTS</b>					
Unit Trust of India 6.75% US-64 Tax Free Bonds 1,23,09,770 (2007 - 1,23,44,658 ) Bonds of Rs. 100.00 each, fully paid (35,073 Bonds acquired and 69,961 Bonds sold during the year)			123.10		120.00
6.60% US-64 Tax Free Bonds 14,29,578 (2007 - 17,19,000) Bonds of Rs. 100.00 each, fully paid (5,07,503 Bonds acquired and 7,96,925 sold during the year)			14.18		16.03
National Bank for Agricultural and Rural Development Nil (2007 - 50,000) 5.10% Tax Free Bonds of Rs. 10,000.00 each, fully paid (50,000 Bonds sold during the year)			—		49.13
80,000 5% Tax Free Bonds of Rs. 10,000.00 each, fully paid			79.66		78.29
National Housing Bank Nil (2007 - 2,500) 5.25% Tax Free Bonds of Rs. 1,00,000.00 each, fully paid (2,500 Bonds sold during the year)			—		24.38
Indian Railway Finance Corporation Limited Nil (2007 - 250) 5.20% Tax Free Bonds of Rs. 10,00,000.00 each, fully paid (250 Bonds sold during the year)			—		24.58
500 4.77 % Tax Free Bonds of Rs. 10,00,000.00 each, fully paid (200 Bonds acquired and sold during the year)			49.11		48.39
Nuclear Power Corporation of India Limited 220 4.75% Tax Free Bonds of Rs. 10,00,000.00 each, fully paid			21.69		21.27
	Carried over		287.74		382.07

## Schedules to the Accounts

		As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
		Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments (Contd.)</b>					
<b>Current</b>					
OTHER INVESTMENTS (Contd.)	Brought forward		287.74		382.07
Power Finance Corporation Limited					
2,000 10.40% Tax Free Bonds of Rs. 1,00,000.00 each, fully paid			20.31		23.10
ICICI Bank Limited					
350 Non-Cumulative, Non-Participating, Non-Voting Preference Shares of Rs. 1,00,00,000.00 each, fully paid			131.29		107.14
ABN AMRO FTP Series 3 Yearly Plan Dividend Payout					
Nil (2007 - 2,50,00,000) Units of Rs.10.00 each					
(Nil Units purchased and 2,50,00,000 Units sold during the year)			—		25.00
ABN AMRO FTP Series 4 - Quarterly Plan - C - Dividend Reinvestment on Maturity					
Nil (2007 - 2,52,53,942) Units of Rs.10.00 each					
(2,11,390 Units purchased and 2,54,65,332 Units sold during the year)			—		25.26
ABN AMRO FTP Series 4 - Quarterly Plan - E - Dividend on Maturity					
Nil (2007 - 2,51,01,734) Units of Rs.10.00 each					
(4,47,456 Units purchased and 2,55,49,190 Units sold during the year)			—		25.10
ABN AMRO FTP S8 Yearly Plan D - Institutional Growth					
2,00,00,000 (2007 - Nil) Units of Rs.10.00 each					
(2,00,00,000 Units purchased and Nil Units sold during the year)			20.00		—
ABN AMRO Interval Fund - Quarterly Plan H Interval Dividend - Reinvestment					
1,00,00,000 (2007 - Nil) Units of Rs.10.00 each					
(1,00,00,000 Units purchased and Nil Units sold during the year)			10.00		—
Birla Cash Plus - Institutional Premium Plan - Daily Dividend - Reinvestment					
Nil (2007 - 7,28,72,688) Units of Rs.10.00 each					
(1,02,08,48,515 Units purchased and 1,09,37,21,203 Units sold during the year)			—		73.01
Birla Cash Plus - Institutional Premium - Growth					
91,80,966 Units of Rs.10.00 each			10.00		10.00
Birla FTP - Institutional - Series Y - Growth					
1,50,00,000 (2007 - Nil) Units of Rs. 10.00 each					
(1,50,00,000 Units purchased and Nil Units sold during the year)			15.00		—
Birla FTP - Institutional - Series AA - Growth					
2,50,00,000 (2007 - Nil) Units of Rs.10.00 each					
(2,50,00,000 Units purchased and Nil Units sold during the year)			25.00		—
Birla FTP - Institutional - Series AC - Growth					
1,00,00,000 (2007 - Nil) Units of Rs.10.00 each					
(1,00,00,000 Units purchased and Nil Units sold during the year)			10.00		—
Birla FTP - Quarterly - Series 5 - Dividend Payout					
Nil (2007 - 2,50,00,000) Units of Rs.10.00 each					
(Nil Units purchased and 2,50,00,000 Units sold during the year)			—		25.00
Birla FTP - Quarterly - Series 7 - Dividend Payout					
Nil (2007 - 2,50,00,000) Units of Rs. 10.00 each					
(Nil Units purchased and 2,50,00,000 Units sold during the year)			—		25.00
Birla FTP - Quarterly - Series 9 - Dividend Payout					
Nil (2007 - 2,50,00,000) Units of Rs. 10.00 each					
(Nil Units purchased and 2,50,00,000 Units sold during the year)			—		25.00
Birla FTP - Quarterly Series 10 - Dividend Payout					
Nil (2007 - 2,50,00,000) Units of Rs.10.00 each					
(Nil Units purchased and 2,50,00,000 Units sold during the year)			—		25.00
	Carried over		529.34		770.68



## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
	Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments (Contd.)</b>				
<b>Current</b>				
OTHER INVESTMENTS (Contd.) Brought forward		529.34		770.68
Birla FTP - Series H - Growth Nil (2007 - 1,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 1,50,00,000 Units sold during the year)		—		15.00
Birla Income Plus - Quarterly Dividend - Reinvestment 12,34,75,977 (2007 - Nil) Units of Rs.10.00 each (12,34,75,977 Units purchased and Nil Units sold during the year)		130.64		—
Birla Sun Life Income Fund - Quarterly Dividend - Reinvestment 62,94,566 (2007 - Nil) Units of Rs.10.00 each (62,94,566 Units purchased and Nil Units sold during the year)		6.69		—
Birla Sun Life Short Term Fund - Fortnightly Dividend - Reinvestment 8,45,34,890 (2007 - Nil) Units of Rs.10.00 each (13,36,82,746 Units purchased and 4,91,47,856 Units sold during the year)		84.98		—
BSL Quarterly Interval - Series 4 - Dividend Payout 2,50,00,000 (2007 - Nil) Units of Rs.10.00 each (2,50,00,000 Units purchased and Nil Units sold during the year)		25.00		—
Canara Robeco Interval Monthly Institutional Dividend Fund 1,49,82,620 (2007 - Nil) Units of Rs.10.00 each (1,49,82,620 Units purchased and Nil Units sold during the year)		15.00		—
Canara Robeco Liquid Fund - Institutional - Growth 2,39,78,529 Units of Rs.10.00 each		30.00		30.00
Chola Liquid Institutional Plus - Cumulative Option Nil (2007 - 1,43,11,999) Units of Rs.10.00 each (Nil Units purchased and 1,43,11,999 Units sold during the year)		—		20.00
DBS Chola FMP - Series 6 (Quarterly Plan - 3) Dividend Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
DBS Chola Short Term Floating Rate Fund - Daily Dividend Reinvestment Plan 99,85,999 (2007 - Nil) Units of Rs.10.00 each (87,68,91,107 Units purchased and 86,69,05,108 Units sold during the year)		10.00		—
DSP Merrill Lynch - Fixed Maturity Plan - 3M - Series 3 - Institutional Dividend 1,00,44,725 (2007 - Nil) Units of Rs.10.00 each (1,00,44,725 Units purchased and Nil Units sold during the year)		10.04		—
DSP Merrill Lynch Fixed Maturity Plan - 3M - Series 6 - Institutional Dividend 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
DSP Merrill Lynch Fixed Term Plan - Series 1L - Dividend Institutional Reinvestment Dividend Nil (2007 - 2,51,500) Units of Rs.1,000.00 each (3,937 Units purchased and 2,55,437 Units sold during the year)		—		25.15
DWS Fixed Term Fund - Series 14 - Dividend Plan Payout Nil (2007 - 5,00,00,000) Units of Rs.10.00 each (Nil Units purchased and 5,00,00,000 Units sold during the year)		—		50.00
DWS Fixed Term Fund - Series 16 - Institutional Plan - Dividend Payout Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
Carried over		851.69		960.83



## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
	Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments (Contd.)</b>				
<b>Current</b>				
OTHER INVESTMENTS (Contd.) Brought forward		851.69		960.83
DWS Fixed Term Fund - Series 23 - Dividend Option Payout Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
DWS Fixed Term Fund - Series 35 - Dividend Plan 2,00,00,000 (2007 - Nil) Units of Rs.10.00 each (2,00,00,000 Units purchased and Nil Units sold during the year)		20.00		—
DWS Fixed Term Fund - Series 41- Institutional Growth 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
DWS Short Maturity Fund - Weekly Dividend Option 4,36,56,442 (2007 - Nil) Units of Rs.10.00 each (15,82,24,369 Units purchased and 11,45,67,927 Units sold during the year)		44.50		—
GSSIF - Investment Plan - Quarterly Dividend 44,34,828 (2007 - Nil) Units of Rs.10.00 each (44,34,828 Units purchased and Nil Units sold during the year)		4.65		—
HDFC FMP 90D January 2007(3) - Wholesale Plan Dividend Payout Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
HDFC FMP 367D August 2007 - Wholesale Plan - Growth 2,50,00,000 (2007 - Nil) Units of Rs.10.00 each (2,50,00,000 Units purchased and Nil Units sold during the year)		25.00		—
HDFC FMP 90D January 2008 (VI) - Wholesale Plan Dividend Payout 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
HDFC Income Fund - Dividend Reinvestment 1,14,45,230 (2007 - Nil) Units of Rs.10.00 each (1,14,45,230 Units purchased and Nil Units sold during the year)		11.77		—
HDFC Short Term Plan - Fortnightly - Dividend Reinvestment 3,89,76,077 (2007 - Nil) Units of Rs.10.00 each (4,88,60,307 Units purchased and 98,84,230 Units sold during the year)		40.24		—
HSBC Fixed Term Series 1 - Growth Nil (2007 - 1,00,00,000) Units of Rs.10.00 each (Nil Units purchased and 1,00,00,000 Units sold during the year)		—		10.00
HSBC Fixed Term Series 13 - Institutional-Growth Nil (2007 - 1,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 1,50,00,000 Units sold during the year)		—		15.00
HSBC Fixed Term Series 14 - Dividend Reinvestment Nil (2007 - 2,58,15,392) Units of Rs.10.00 each (4,48,942 Units purchased and 2,62,64,334 Units sold during the year)		—		25.82
HSBC Fixed Term Series 15 - Institutional - Dividend Reinvestment Nil (2007 - 2,55,45,605) Units of Rs.10.00 each (10,28,909 Units purchased and 2,65,74,514 Units sold during the year)		—		25.55
HSBC Fixed Term Series 47 - Institutional Dividend 2,50,00,000 (2007 - Nil) Units of Rs.10.00 each (2,50,00,000 Units purchased and Nil Units sold during the year)		25.00		—
HSBC Interval Fund - Plan 2 - Institutional Dividend 1,00,28,237 (2007 - Nil) Units of Rs.10.00 each (1,00,28,237 Units purchased and Nil Units sold during the year)		10.03		—
Carried over		1052.88		1087.20

## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
	Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments (Contd.)</b>				
<b>Current</b>				
OTHER INVESTMENTS (Contd.) Brought forward		1052.88		1087.20
ICICI Prudential FMP Series 39 - Six Months Plan A - Retail Dividend Pay Dividend 5,00,00,000 (2007 - Nil) Units of Rs.10.00 each (5,00,00,000 Units purchased and Nil Units sold during the year)		50.00		—
ICICI Prudential FMP Series 41 - Fourteen Months Plan Institutional Cumulative 1,50,00,000 (2007 - Nil) Units of Rs.10.00 each (1,50,00,000 Units purchased and Nil Units sold during the year)		15.00		—
ICICI Prudential FMP Series 42 - Three Months Plan C - Retail Dividend Pay Dividend 2,50,00,000 (2007 - Nil) Units of Rs.10.00 each (2,50,00,000 Units purchased and Nil Units sold during the year)		25.00		—
ICICI Prudential - Flexible Income Plan - Dividend - Daily - Reinvestment Dividend 4,14,57,485 (2007 - Nil) Units of Rs.10.00 each (44,25,11,884 Units purchased and 40,10,54,399 Units sold during the year)		43.84		—
ICICI Prudential Institutional Income Plan - Dividend Quarterly - Reinvestment Dividend 3,00,46,190 (2007 - Nil) Units of Rs.10.00 each (3,00,46,190 Units purchased and Nil Units sold during the year)		31.72		—
ICICI Prudential Institutional Short Term Plan DR - Fortnightly - Reinvestment Dividend 4,07,89,929 (2007 - Nil) Units of Rs.10.00 each (8,34,80,171 Units purchased and 4,26,90,242 Units sold during the year)		45.31		—
ING Vysya Fixed Maturity Fund - XXXI - Institutional Growth 1,50,00,000 (2007 - Nil) Units of Rs.10.00 each (1,50,00,000 Units purchased and Nil Units sold during the year)		15.00		—
ING Vysya Fixed Maturity Fund - XXXII - Institutional Growth 2,50,00,000 (2007 - Nil) Units of Rs.10.00 each (2,50,00,000 Units purchased and Nil Units sold during the year)		25.00		—
ING Vysya Fixed Maturity Fund Series XV - Dividend Payout Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
JM Fixed Maturity Fund Series IV - Quarterly Plan 1 - Dividend Reinvestment Nil (2007 - 2,53,73,213) Units of Rs.10.00 each (93,800 Units purchased and 2,54,67,013 Units sold during the year)		—		25.37
JM Fixed Maturity Fund Series IV - Quarterly Plan 4 F3 - Dividend Reinvestment Nil (2007 - 2,51,91,423) Units of Rs.10.00 each (3,36,845 Units purchased and 2,55,28,268 Units sold during the year)		—		25.19
JM Interval Fund - Quarterly Plan 1 - Institutional Dividend Plan 2,49,81,763 (2007 - Nil) Units of Rs.10.00 each (2,49,81,763 Units purchased and Nil Units sold during the year)		25.00		—
Kotak Bond (Short Term) - Monthly Dividend 5,10,06,283 (2007 - Nil) Units of Rs.10.00 each (8,97,57,808 Units purchased and 3,87,51,525 Units sold during the year)		51.32		—
Kotak FMP 3M Series 8 - Dividend Reinvestment Nil (2007 - 2,53,44,328) Units of Rs.10.00 each (1,18,203 Units purchased and 2,54,62,531 Units sold during the year)		—		25.33
Carried over		1380.07		1188.09

## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
	Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments (Contd.)</b>				
<b>Current</b>				
OTHER INVESTMENTS (Contd.) Brought forward		1380.07		1188.09
Kotak FMP 3M Series 10 - Dividend Reinvestment Nil (2007 - 2,52,43,621) Units of Rs.10.00 each (2,43,917 Units purchased and 2,54,87,538 Units sold during the year)		—		25.24
Kotak FMP 3M Series 11 - Dividend Nil (2007 - 2,51,51,409) Units of Rs.10.00 each (3,89,318 Units purchased and 2,55,40,727 Units sold during the year)		—		25.15
Kotak FMP 3M Series 12 - Dividend Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (5,61,086 Units purchased and 2,55,61,086 Units sold during the year)		—		25.00
Kotak FMP 3M Series 14 - Dividend Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (5,82,233 Units purchased and 2,55,82,233 Units sold during the year)		—		25.00
Kotak FMP 3M Series 27 - Dividend 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
Kotak FMP 12M Series 4 - Institutional - Growth 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
Kotak FMP 14M Series 2 - Institutional - Growth 2,50,00,000 Units of Rs.10.00 each		25.00		25.00
Kotak FMP Series XIV - Growth Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
LIC MF Liquid Fund - Growth Plan 3,13,93,239 (2007 - 2,41,75,107) Units of Rs.10.00 each (72,18,132 Units purchased and Nil Units sold during the year)		40.00		30.00
Lotus India Fixed Maturity Plan - 3 Months - Series XXV - Dividend 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
Lotus India Fixed Maturity Plan - 14 Months - Series II - Institutional Growth 1,50,00,000 (2007 - Nil) Units of Rs.10.00 each (1,50,00,000 Units purchased and Nil Units sold during the year)		15.00		—
Lotus India Fixed Maturity Plan - 375 Days - Series V - Institutional Growth 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
Lotus India Short Term Plan - Institutional Weekly Dividend 4,87,33,919 (2007 - Nil) Units of Rs.10.00 each (4,87,33,919 Units purchased and Nil Units sold during the year)		49.34		—
Principal Income Fund - Institutional Plan Dividend Reinvestment - Quarterly 2,84,09,835 (2007 - Nil) Units of Rs.10.00 each (5,06,39,476 Units purchased and 2,22,29,641 Units sold during the year)		32.57		—
Principal PNB Fixed Maturity Plan (FMP - 34) 91 Days Series VII - Feb 07 Dividend Payout Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
Principal PNB Fixed Maturity Plan (FMP - 35) 91 Days Series VIII - Feb 07 Dividend Payout Nil (2007 - 5,00,00,000) Units of Rs.10.00 each (Nil Units purchased and 5,00,00,000 Units sold during the year)		—		50.00
Carried over		1581.98		1443.48

## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
	Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments (Contd.)</b>				
<b>Current</b>				
OTHER INVESTMENTS (Contd.) Brought forward		1581.98		1443.48
Principal FMP Series V (FMP - 39) 385 Days Plan Institutional Growth Plan - Aug 07 2,00,00,000 (2007 - Nil) Units of Rs.10.00 each (2,00,00,000 Units purchased and Nil Units sold during the year)		20.00		—
Prudential ICICI FMP Series 34 - One Year Plan - A - Institutional - Dividend Reinvestment Nil (2007 - 2,54,84,777) Units of Rs.10.00 each (11,80,931 Units purchased and 2,66,65,708 Units sold during the year)		—		25.49
Prudential ICICI FMP Series 35 - Three Months Plan - A - Retail - Dividend Reinvestment Nil (2007 - 5,06,80,000) Units of Rs.10.00 each (2,65,563 Units purchased and 5,09,45,563 Units sold during the year)		—		50.68
Prudential ICICI FMP Series 35 - Three Months Plan C - Retail Dividend Nil (2007 - 5,00,00,000) Units of Rs.10.00 each (Nil Units purchased and 5,00,00,000 Units sold during the year)		—		50.00
Prudential ICICI FMP Series 37 - Quarterly Plan B - Retail Dividend Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
Prudential ICICI Hybrid FMP 13 Months Plan - Institutional - Dividend - Reinvestment - Quarterly Nil (2007 - 2,58,44,026) Units of Rs.10.00 each (4,73,979 Units purchased and 2,63,18,005 Units sold during the year)		—		25.84
Reliance Fixed Horizon Fund I - Quarterly Plan - Series IV - Dividend Reinvestment Nil (2007 - 5,00,00,000) Units of Rs.10.00 each (Nil Units purchased and 5,00,00,000 Units sold during the year)		—		50.00
Reliance Fixed Horizon Fund II - Quarterly Plan - Series II - Institutional Dividend Reinvestment Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
Reliance Fixed Horizon Fund II - Quarterly Plan - Series IV - Institutional Dividend Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
Reliance Fixed Horizon Fund II - Quarterly Plan - Series V - Institutional Dividend Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
SBI Debt Fund Series 15 Months (July 06) - Dividend Payout Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
Standard Chartered Fixed Maturity Plan - Quarterly Series 3 - Dividend Reinvestment Nil (2007 - 2,53,69,000) Units of Rs.10.00 each (Nil Units purchased and 2,53,69,000 Units sold during the year)		—		25.37
Standard Chartered Fixed Maturity Plan - Quarterly Series 4 - Dividend Reinvestment Nil (2007 - 2,52,76,000) Units of Rs.10.00 each (Nil Units purchased and 2,52,76,000 Units sold during the year)		—		25.28
Carried over		1601.98		1821.14

## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
	Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments (Contd.)</b>				
<b>Current</b>				
OTHER INVESTMENTS (Contd.) Brought forward		1601.98		1821.14
Standard Chartered Fixed Maturity Plan - Quarterly Series 7 - Dividend Reinvestment Nil (2007 - 2,51,44,500) Units of Rs.10.00 each (3,96,277 Units purchased and 2,55,40,777 Units sold during the year)		—		25.14
Standard Chartered FMP - Quarterly Series 25 - Dividend 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
Standard Chartered FMP - Quarterly Series 26 - Dividend 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
Standard Chartered FMP - Quarterly Series 27 - Dividend 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
Standard Chartered FMP - Quarterly Series 28 - Dividend 2,50,00,000 (2007 - Nil) Units of Rs.10.00 each (2,50,00,000 Units purchased and Nil Units sold during the year)		25.00		—
Standard Chartered Liquidity Manager - Daily Dividend Nil (2007 - 2,50,07,456) Units of Rs.10.00 each (8,110 Units purchased and 2,50,15,566 Units sold during the year)		—		25.00
Sundaram BNP Paribas Fixed Term Plan - 367 Days Series Plan 1 - Institutional - Growth 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
Sundaram BNP Paribas Fixed Term Plan Series XXV (90 Days) Dividend Reinvestment Plan Nil (2007 - 2,51,66,452) Units of Rs.10.00 each (3,97,328 Units purchased and 2,55,63,780 Units sold during the year)		—		25.17
Sundaram BNP Paribas Bond Saver - Institutional - Dividend - Quarterly 45,24,494 (2007 - Nil) Units of Rs.10.00 each (45,24,494 Units purchased and Nil Units sold during the year)		4.67		—
TATA Fixed Horizon Fund - Series 2B Option (18 Months) - Growth Nil (2007 - 1,00,00,000) Units of Rs.10.00 each (Nil Units purchased and 1,00,00,000 Units sold during the year)		—		10.00
TATA Fixed Horizon Fund - Series 6 - Scheme A - Dividend Reinvestment Nil (2007 - 2,59,60,703) Units of Rs.10.00 each (4,57,842 Units purchased and 2,64,18,545 Units sold during the year)		—		25.96
TATA Fixed Horizon Fund - Series 6 - Scheme H - Dividend Reinvestment Nil (2007 - 2,55,26,019) Units of Rs.10.00 each (2,99,979 Units purchased and 2,58,25,998 Units sold during the year)		—		25.53
TATA Fixed Horizon Fund - Series 8 - Scheme E - Periodic Dividend - Institutional Reinvestment Nil (2007 - 2,53,52,317) Units of Rs.10.00 each (1,11,268 Units purchased and 2,54,63,585 Units sold during the year)		—		25.35
TATA Fixed Horizon Fund - Series 9 - Scheme D - Dividend Reinvestment Nil (2007 - 2,51,61,153) Units of Rs.10.00 each (3,59,531 Units purchased and 2,55,20,684 Units sold during the year)		—		25.16
Carried over		1671.65		2008.45

## Schedules to the Accounts

		As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
		Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments (Contd.)</b>					
<b>Current</b>					
OTHER INVESTMENTS (Contd.)	Brought forward		1671.65		2008.45
TATA Fixed Horizon Fund - Series 9 - Scheme E - Periodic Dividend - Institutional Plan					
Nil (2007 - 2,51,08,436) Units of Rs.10.00 each					
(4,61,606 Units purchased and 2,55,70,042 Units sold during the year)					
			—		25.11
TATA Fixed Horizon Fund Series 13 - Scheme B - IG - Growth					
1,50,00,000 (2007 - Nil) Units of Rs.10.00 each					
(1,50,00,000 Units purchased and Nil Units sold during the year)					
			15.00		—
TATA Fixed Investment Plan - 1 Scheme A - Institutional Plan - Growth					
1,00,00,000 (2007 - Nil) Units of Rs.10.00 each					
(1,00,00,000 Units purchased and Nil Units sold during the year)					
			10.00		—
TATA Floating Rate Short Term Institutional Plan - Daily Dividend					
3,89,85,964 (2007 - Nil) Units of Rs.10.00 each					
(57,79,61,185 Units purchased and 53,89,75,221 Units sold during the year)					
			39.01		—
Templeton INDIA INCOME Fund - Dividend Reinvestment					
1,10,07,552 (2007 - Nil) Units of Rs.10.00 each					
(1,10,07,552 Units purchased and Nil Units sold during the year)					
			11.54		—
Templeton India SHORT TERM INCOME PLAN Institutional - Weekly Dividend Reinvestment					
17,22,550 (2007 - Nil) Units of Rs.1,000.00 each					
(27,02,987 Units purchased and 9,80,437 Units sold during the year)					
			173.15		—
UTI - Bond Fund - Dividend Plan - Reinvestment					
2,81,41,758 (2007 - Nil) Units of Rs.10.00 each					
(2,81,41,758 Units purchased and Nil Units sold during the year)					
			30.88		—
UTI Fixed Income Interval Fund - Quarterly Interval Plan Series I - Institutional Dividend Plan Payout					
2,50,00,000 (2007 - Nil) Units of Rs.10.00 each					
(2,50,00,000 Units purchased and Nil Units sold during the year)					
			25.00		—
UTI - Floating Rate Fund - Short Term Plan (Dividend Option) - Reinvestment					
63,882 (2007 - 61,306) Units of Rs.1,000.00 each					
(2,576 Units purchased and Nil Units sold during the year)					
			6.49		6.23
UTI Fixed Maturity Plan Quarterly Series QFMP/0107/I - Dividend - Reinvestment					
Nil (2007 - 2,53,51,805) Units of Rs.10.00 each					
(1,17,189 Units purchased and 2,54,68,994 Units sold during the year)					
			—		25.35
UTI Fixed Maturity Plan Quarterly Series QFMP/0107/II - Dividend - Reinvestment					
Nil (2007 - 2,53,25,057) Units of Rs.10.00 each					
(1,50,100 Units purchased and 2,54,75,157 Units sold during the year)					
			—		25.33
UTI Fixed Maturity Plan Quarterly Series QFMP/0207/I - Dividend - Reinvestment					
Nil (2007 - 5,05,03,512) Units of Rs.10.00 each					
(4,62,385 Units purchased and 5,09,65,897 Units sold during the year)					
			—		50.50
UTI Fixed Maturity Plan Quarterly Series QFMP/0207/II - Dividend - Reinvestment					
Nil (2007 - 2,51,49,665) Units of Rs.10.00 each					
(3,94,489 Units purchased and 2,55,44,154 Units sold during the year)					
			—		25.15
	Carried over		1982.72		2166.12



## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)		As at 31st March, 2007 (Rs. in Crores)	
	Quoted	Not Quoted	Quoted	Not Quoted
<b>7. Investments (Contd.)</b>				
<b>Current</b>				
OTHER INVESTMENTS (Contd.) Brought forward		1982.72		2166.12
UTI Fixed Maturity Plan Quarterly Series QFMP/0307/I - Dividend - Reinvestment Plan Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (Nil Units purchased and 2,50,00,000 Units sold during the year)		—		25.00
UTI Fixed Maturity Plan Quarterly Series QFMP/0307/II - Dividend - Reinvestment Nil (2007 - 2,50,00,000) Units of Rs.10.00 each (5,75,983 Units purchased and 2,55,75,983 Units sold during the year)		—		25.00
UTI Fixed Maturity Plan Quarterly Series QFMP/1206/II - Dividend - Reinvestment Nil (2007 - 1,52,62,659) Units of Rs.10.00 each (Nil Units purchased and 1,52,62,659 Units sold during the year)		—		15.26
UTI Fixed Maturity Plan - QFMP (0208/I) - Institutional Dividend - Payout 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
UTI Fixed Maturity Plan - QFMP (0208/II) - Institutional Dividend Plan - Payout 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
UTI Fixed Maturity Plan Quarterly Series - QFMP (0308/I) - Institutional Dividend Plan - Payout 1,00,00,000 (2007 - Nil) Units of Rs.10.00 each (1,00,00,000 Units purchased and Nil Units sold during the year)		10.00		—
UTI Short Term Income Fund Institutional - Income Option - Reinvestment 7,49,83,107 (2007 - Nil) Units of Rs.10.00 each (7,49,83,107 Units purchased and Nil Units sold during the year)		76.26		—
UTI Balanced Fund-Income-Payout Nil (2007 - 10,00,000) Units of Rs.10.00 each (Nil Units purchased and 10,00,000 Units sold during the year)		—		1.04
<b>Total Current Investments</b>		<b>2088.98</b>		<b>2232.42</b>
<b>Total of Quoted and Unquoted Investments</b>		<b>2961.32</b>		<b>3094.54</b>
Less: Provision for Long Term Investments*		26.77		26.77
<b>TOTAL OF INVESTMENTS</b>		<b>2934.55</b>		<b>3067.77</b>

Total Market Value of Quoted Investments : 2008 - Rs. 13.42 Crores (2007 - Rs. 13.30 Crores); Total Value of Unquoted Investments : 2008 - Rs. 2958.68 Crores (2007 - Rs. 3091.90 Crores). Total Value of Quoted Investments : 2008 - Rs. 2.64 Crores (2007 - Rs. 2.64 Crores).



# Schedules to the Accounts

## 7. Investments (Contd.)

During the year, the following Current Investments were purchased and sold :

- (1) 2,50,00,000 Units of ABN AMRO Flexible Short Term Plan - Series A Quarterly Dividend at cost of Rs. 25.00 Crores
- (2) 1,50,00,000 Units of ABN AMRO Flexible Short Term Plan - Series B Quarterly Dividend Pay at cost of Rs. 15.00 Crores
- (3) 2,00,00,000 Units of ABN AMRO Flexible Short Term Plan C Quarterly Dividend Pay at cost of Rs. 20.00 Crores
- (4) 2,55,20,324 Units of ABN AMRO FTP Series 5 Quarterly Plan A Dividend on Maturity at cost of Rs. 25.52 Crores
- (5) 2,55,02,675 Units of ABN AMRO FMP Series 6 Quarterly Plan D Dividend on Maturity at cost of Rs. 25.50 Crores
- (6) 2,55,22,765 Units of ABN AMRO FTP Series 7 Quarterly Plan A Maturity Dividend Reinvestment at cost of Rs. 25.52 Crores
- (7) 2,55,30,895 Units of ABN AMRO FTP Series 7 Quarterly Plan B Dividend Reinvestment at cost of Rs. 25.53 Crores
- (8) 2,55,48,367 Units of ABN AMRO FTP Series 7 Quarterly Plan C Dividend Reinvestment at cost of Rs. 25.55 Crores
- (9) 22,02,94,693 Units of ABN AMRO Money Plus Fund - Institutional Plan - Daily Dividend at cost of Rs. 220.30 Crores
- (10) 18,64,202 Units of AIG India Liquid Fund - SIP - Daily Dividend Reinvestment at cost of Rs. 186.57 Crores
- (11) 81,39,193 Units of Birla Floating Rate Fund - Long Term - Weekly Dividend Reinvestment at cost of Rs. 8.15 Crores
- (12) 99,78,148 Units of Birla Fixed Maturity Plan Quarterly Series 2 at cost of Rs. 10.00 Crores
- (13) 2,50,00,000 Units of Birla FTP Quarterly Series 13 - Dividend Payout at cost of Rs. 25.00 Crores
- (14) 2,50,00,000 Units of Birla FTP Quarterly Series 14 Dividend Payout at cost of Rs. 25.00 Crores
- (15) 2,00,00,000 Units of Birla Sun Life Interval Income Fund - Institutional - Quarterly - Sr 1 Dividend Pay at cost of Rs. 20.00 Crores
- (16) 2,50,00,000 Units of Birla Sun Life Interval Income Fund Institutional Quarterly Plan - Series 2 DP at cost of Rs. 25.00 Crores
- (17) 14,81,34,481 Units of Birla Sun Life Liquid Plus-Institutional Plan- Daily Dividend at cost of Rs. 148.24 Crores
- (18) 53,42,18,584 Units of Canara Robeco Floating Rate Short Term Daily Dividend Fund at cost of Rs. 548.11 Crores
- (19) 2,49,79,766 Units of Canara Robeco Interval Monthly Institutional Dividend Fund at cost of Rs. 25.00 Crores
- (20) 34,50,29,298 Units of Canara Robeco Liquid Fund - Institutional Daily Dividend Reinvestment at cost of Rs. 346.44 Crores
- (21) 4,04,59,175 Units of Canara Robeco Liquid Plus - Institutional Plan - Daily Dividend Reinvestment at cost of Rs. 50.20 Crores
- (22) 1,50,00,000 Units of CANBANK FMP 01 M Series1 (Close Ended) Payout at cost of Rs. 15.00 Crores
- (23) 1,50,00,000 Units of DBS Chola FMP - Series 7 (Quarterly Plan - 2) Dividend at cost of Rs. 15.00 Crores
- (24) 97,73,00,140 Units of Deutsche Insta Cash Plus Fund Super Institutional Daily Dividend at cost of Rs. 979.25 Crores
- (25) 36,14,267 Units of DSP Merrill Lynch Cash Plus Fund - Institutional - Daily Dividend Reinvestment at cost of Rs. 361.46 Crores
- (26) 18,09,178 Units of DSP Merrill Lynch Liquid Plus Institutional Plan - Daily Dividend at cost of Rs. 180.95 Crores
- (27) 2,50,00,000 Units of DWS Fixed Term Fund Series 31 - Dividend Option Payout at cost of Rs. 25.00 Crores
- (28) 63,62,95,277 Units of Fidelity Cash Fund - Super Institutional Daily Dividend Reinvestment at cost of Rs. 636.30 Crores
- (29) 27,35,12,192 Units of Grindlays Floating Rate Fund Long Term - Plan B - Daily Dividend at cost of Rs. 273.58 Crores
- (30) 2,31,11,186 Units of GSSIF - Short Term Plan C - Fortnightly Dividend at cost of Rs. 23.50 Crores
- (31) 44,73,18,523 Units of HDFC Cash Management Fund - Saving Plan - Daily Dividend Reinvestment at cost of Rs. 475.79 Crores
- (32) 17,45,97,009 Units of HDFC Cash Management Savings Plus - Wholesale Plan - Daily Dividend at cost of Rs. 175.15 Crores
- (33) 1,00,05,599 Units of HDFC Floating Rate Income Fund - Long Term - Dividend Reinvestment at cost of Rs. 10.19 Crores
- (34) 20,62,35,913 Units of HDFC Floating Rate Income Fund - STP - Dividend Reinvestment Daily Dividend at cost of Rs. 207.90 Crores
- (35) 2,50,00,000 Units of HDFC FMP 90D April 2007 (5) - Wholesale Plan Dividend Payout at cost of Rs. 25.00 Crores
- (36) 2,00,00,000 Units of HDFC FMP 90D Aug 2007 (6) - Wholesale Plan Dividend at cost of Rs. 20.00 Crores

# Schedules to the Accounts

## 7. Investments (Contd.)

(37)	12,57,12,570 Units of HDFC Liquid Fund - Premium Plus Plan - Weekly Dividend - Reinvestment at cost of Rs. 156.24 Crores
(38)	5,09,89,561 Units of HSBC Cash Fund Institutional Plus Daily Dividend at cost of Rs. 51.02 Crores
(39)	2,47,26,667 Units of HSBC Fixed Term Series 14 - Growth at cost of Rs. 26.71 Crores
(40)	2,46,60,996 Units of HSBC Fixed Term Series 15 - Institutional Growth at cost of Rs. 26.70 Crores
(41)	27,33,14,364 Units of HSBC Floating Rate Short Term Institutional Plus Daily Dividend at cost of Rs. 274.03 Crores
(42)	45,56,085 Units of HSBC Floating Rate - Long Term - Institutional - Weekly Dividend Reinvestment at cost of Rs. 5.02 Crores
(43)	52,22,20,835 Units of HSBC Liquid Plus Fund Institutional Plus - Daily Dividend at cost of Rs. 522.88 Crores
(44)	2,50,00,000 Units of ICICI Prudential Quarterly Interval Plan - I Retail Dividend Pay at cost of Rs. 25.00 Crores
(45)	2,50,00,000 Units of ICICI Prudential - Quarterly Interval Fund II - Plan B - Dividend at cost of Rs. 25.00 Crores
(46)	1,00,00,100 Units of ICICI Prudential Long Term Floating Rate - Plan B - Dividend Reinvestment at cost of Rs. 10.15 Crores
(47)	2,00,00,000 Units of ING Vysya Fixed Maturity Fund - XXVI - Dividend at cost of Rs. 20.00 Crores
(48)	2,00,00,000 Units of ING Vysya Fixed Maturity Fund - XXX - Dividend Pay at cost of Rs. 20.00 Crores
(49)	2,50,00,000 Units of ING Vysya Fixed Maturity Fund - Series XXXIV Institutional Dividend at cost of Rs. 25.00 Crores
(50)	2,50,00,000 Units of ING Vysya Fixed Maturity Fund - Series XXXVI at cost of Rs. 25.00 Crores
(51)	2,36,49,662 Units of ING Vysya Income Fund - Short Term Plan Dividend Option Monthly Dividend at cost of Rs. 27.09 Crores
(52)	1,50,00,000 Units of ING Vysya Fixed Maturity Fund - XXIII - Dividend Payout at cost of Rs. 15.00 Crores
(53)	82,54,74,332 Units of ING Vysya Liquid Fund Super Institutional - Daily Dividend at cost of Rs. 825.87 Crores
(54)	6,41,54,833 Units of ING Vysya Liquid Plus Fund - Institutional Daily Dividend Option at cost of Rs. 64.18 Crores
(55)	2,55,20,448 Units of JM Fixed Maturity Fund - Series V - Quarterly Plan - Institutional Dividend at cost of Rs. 25.52 Crores
(56)	2,03,39,109 Units of JM Fixed Maturity Fund Series VI - Quarterly Plan 2 - Institutional Dividend at cost of Rs. 20.34 Crores
(57)	2,55,27,785 Units of JM FMP Series V - Quarterly Plan 2 - Dividend Reinvestment at cost of Rs. 25.53 Crores
(58)	7,50,91,949 Units of JM Money Manager Fund - Super Plus Plan - Daily Dividend Reinvestment at cost of Rs. 75.12 Crores
(59)	1,14,33,79,422 Units of Kotak Flexi Debt Scheme - Daily Dividend at cost of Rs. 1146.94 Crores
(60)	50,60,806 Units of Kotak Floater Long Term - Weekly Dividend Reinvestment at cost of Rs. 5.10 Crores
(61)	6,44,80,070 Units of Kotak Floater Short Term - Weekly Dividend at cost of Rs. 64.62 Crores
(62)	2,55,20,066 Units of Kotak FMP 3M Series 15 - Dividend Reinvestment at cost of Rs. 25.52 Crores
(63)	2,55,23,444 Units of Kotak FMP 3M Series 16 - Dividend Reinvestment at cost of Rs. 25.52 Crores
(64)	1,52,67,387 Units of Kotak FMP 3M Series 25 - Dividend Reinvestment at cost of Rs. 15.27 Crores
(65)	2,50,00,000 Units of Kotak FMP 3M Series 26 at cost of Rs. 25.00 Crores
(66)	46,47,42,266 Units of Kotak Liquid (Institutional Premium) - Daily Dividend at cost of Rs. 568.29 Crores
(67)	9,72,95,744 Units of LIC MF Floating Rate Fund - Short Term Plan - Dividend at cost of Rs. 98.78 Crores
(68)	1,12,28,18,214 Units of LIC MF Liquid Plan - Dividend at cost of Rs. 1232.87 Crores
(69)	1,52,54,208 Units of Lotus India Fixed Maturity Plan 3 Months Series XVI - Dividend Reinvestment at cost of Rs. 15.25 Crores
(70)	2,54,28,350 Units of Lotus India Fixed Maturity Plan 3M Series XIX - Dividend at cost of Rs. 25.43 Crores
(71)	50,01,019 Units of Lotus India Liquid Fund - Institutional - Daily Dividend Reinvestment at cost of Rs. 5.00 Crores
(72)	60,05,67,854 Units of Lotus India Liquid Plus Fund - Institutional Plan - Daily Dividend Reinvestment at cost of Rs. 601.51 Crores

# Schedules to the Accounts

## 7. Investments (Contd.)

(73)	4,11,83,921 Units of Lotus India Short Term Plan - Institutional Plan Daily Dividend Reinvestment at cost of Rs. 41.45 Crores
(74)	1,39,60,09,689 Units of Principal Cash Management Liquid Option IP Premium Dividend Reinvestment Daily at cost of Rs. 1396.11 Crores
(75)	82,64,62,238 Units of Principal Floating Rate Fund - FMP - Institutional Daily Dividend at cost of Rs. 827.48 Crores
(76)	1,00,08,28,822 Units of Principal Floating Rate Fund - SMP - Institutional Option - Daily Dividend - Reinvestment at cost of Rs. 1000.90 Crores
(77)	3,18,84,705 Units of Principal Income Fund STP IP Dividend Reinvestment Weekly at cost of Rs. 34.54 Crores
(78)	2,50,00,000 Units of Principal PNB FMP 91 Days - Series XII at cost of Rs. 25.00 Crores
(79)	1,18,78,37,340 Units of Prudential ICICI Liquid Plan - Super Institutional Daily Dividend at cost of Rs. 1187.88 Crores
(80)	55,97,59,720 Units of Reliance Floating Rate Fund - Institutional Daily Dividend Reinvestment at cost of Rs. 563.64 Crores
(81)	43,19,930 Units of Reliance Liquid Plus Fund - Institutional Plan - Daily Dividend at cost of Rs. 432.53 Crores
(82)	66,45,00,892 Units of Reliance Liquidity Fund - Daily Dividend Reinvestment Option at cost of Rs. 664.71 Crores
(83)	2,03,44,580 Units of SBI Debt Fund Series - 90 Days - 13 - (Aug-07) - Dividend at cost of Rs. 20.34 Crores
(84)	1,46,11,760 Units of SBI MAGNUM Insta Cash Fund - Liquid Floater Plan - Dividend at cost of Rs. 15.02 Crores
(85)	13,18,51,752 Units of SBI Premier Liquid Fund - Super Institutional - Daily Dividend at cost of Rs. 132.28 Crores
(86)	31,84,021 Units of Standard Chartered Liquidity Manager - Plus - Daily Dividend at cost of Rs. 318.47 Crores
(87)	2,55,23,671 Units of Standard Chartered Fixed Maturity Plan Quarterly Series 9 Dividend Reinvestment at cost of Rs. 25.52 Crores
(88)	2,55,26,750 Units of Standard Chartered Fixed Maturity Plan Quarterly Series 10 Dividend Reinvestment at cost of Rs. 25.53 Crores
(89)	2,50,00,000 Units of Standard Chartered Fixed Maturity Plan - Quarterly Series 19 at cost of Rs. 25.00 Crores
(90)	1,00,00,000 Units of Sundaram BNP Paribas Fixed Income Interval Fund Quarterly Series B at cost of Rs. 10.00 Crores
(91)	65,42,35,418 Units of Sundaram BNP Paribas Liquid Plus Super Institutional Daily Dividend at cost of Rs. 654.79 Crores
(92)	7,66,60,847 Units of Sundaram Floater ST Institutional - Daily Dividend at cost of Rs. 77.06 Crores
(93)	38,91,34,380 Units of Sundaram Money Fund Super Institutional - Daily Dividend at cost of Rs. 392.84 Crores
(94)	54,78,47,615 Units of TATA Floater Fund - Daily Dividend at cost of Rs. 549.80 Crores
(95)	59,70,749 Units of TATA Liquid Super High Investment Fund - Daily Dividend at cost of Rs. 665.45 Crores
(96)	13,18,307 Units of TATA Liquidity Management - Daily Dividend at cost of Rs. 132.13 Crores
(97)	89,18,451 Units of TATA Short Term Bond Fund - Dividend at cost of Rs. 10.02 Crores
(98)	47,47,38,787 Units of Templeton Floating Rate Income Fund Short Term Institutional - Dividend Reinvestment at cost of Rs. 477.87 Crores
(99)	13,01,50,576 Units of Templeton Floating Rate Income Fund - LTP-Super Institutional Weekly Dividend at cost of Rs. 130.35 Crores
(100)	23,85,293 Units of Templeton India Treasury Management Account Super Institutional at cost of Rs. 238.59 Crores
(101)	52,08,567 Units of UTI - Liquid Plus Fund - Institutional Daily Dividend at cost of Rs. 520.89 Crores
(102)	2,55,14,226 Units of UTI Fixed Maturity Plan Quarterly Series QFMP/0407/I Dividend Reinvestment at cost of Rs. 25.51 Crores
(103)	2,55,12,392 Units of UTI Fixed Maturity Plan Quarterly Series QFMP/0407/II Dividend Plan - Reinvestment at cost of Rs. 25.51 Crores
(104)	2,00,00,000 Units of UTI Fixed Maturity Quarterly Series 08/07/II Institutional Dividend Pay at cost of Rs. 20.00 Crores
(105)	64,94,926 Units of UTI Liquid Cash Plan Institutional - Daily Income Option at cost of Rs. 662.12 Crores

## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)	As at 31st March, 2007 (Rs. in Crores)
<b>8. Inventories</b>		
Stores and Spare Parts	155.78	125.23
Raw Materials	2743.70	2110.22
Intermediates - Tissue Paper and Paper Board	50.65	52.48
Stock in Process	50.70	36.98
Finished Goods	1049.69	1029.12
	<b>4050.52</b>	<b>3354.03</b>

<b>9. Sundry Debtors</b>		
Over 6 months old		
Good and Secured *	62.13	101.40
Good and Unsecured – From Subsidiaries	0.65	1.54
– From Others *	47.79	41.08
Doubtful and Unsecured – From Others	19.42	17.04
Other Debts		
Good and Secured	7.75	8.02
Good and Unsecured – From Subsidiaries	12.61	8.30
– From Others	618.03	487.77
	<b>768.38</b>	<b>665.15</b>
Less : Provision for Doubtful Debts	19.42	17.04
	<b>748.96</b>	<b>648.11</b>
Less : Deposits from normal Trade Debtors - Contra	12.03	11.42
	<b>736.93</b>	<b>636.69</b>

\* Includes amounts receivable on liquidation of legacy assets acquired as part and parcel of the schemes facilitating exit from the Financial Services and Edible Oil Businesses in 1997, Rs. 49.55 Crores (2007 - Rs. 103.35 Crores).

<b>10. Cash and Bank Balances</b>		
With Scheduled Banks		
On Current Accounts etc.	129.67	72.16
On Deposit Accounts	416.91	796.62
With Other Banks *	...	...
Cash and Cheques on hand	23.67	31.38
	<b>570.25</b>	<b>900.16</b>

Rs. 0.05 Crore (2007 - Rs. 0.05 Crore) on deposit in Karachi - Blocked Account considered doubtful, fully provided.

\* Includes on Current Account Rs. 12,720/- (2007 - Rs. 12,720/-) with Post Office Savings Bank and maximum amount outstanding at any time during the year was Rs. 12,720/- (2007 - Rs. 12,720/-).

# Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)	As at 31st March, 2007 (Rs. in Crores)
<b>11. Other Current Assets</b>		
Good and Unsecured		
Deposit towards Property Options	—	42.19
Deposits with Government, Public Bodies and Others @	133.44	128.81
Interest accrued on Loans, Advances etc.	0.97	0.85
Interest accrued on Investments	11.66	11.02
Dividend Receivable	—	0.17
Doubtful and Unsecured		
Deposits with Government, Public Bodies and Others	1.38	1.38
	<b>147.45</b>	<b>184.42</b>
Less : Provision for Doubtful Deposits	1.38	1.38
	<b>146.07</b>	<b>183.04</b>

@ Deposit with subsidiary companies Rs. 2.56 Crores (2007 - Rs. 2.56 Crores).

<b>12. Loans and Advances</b>		
Good and Secured		
Loans to Subsidiaries	21.00	21.00
Advances to Others	6.95	9.97
Advances with Subsidiaries	56.65	56.81
Good and Unsecured		
Loans to Subsidiaries	215.64	167.86
Loans to Others *	32.91	28.64
Advances recoverable in cash or in kind or for value to be received **	650.65	393.39
Taxation (net of provisions)	75.90	21.85
Advances with Government and Public Bodies	416.29	487.73
Advances with Subsidiaries	39.51	28.55
Doubtful and Unsecured		
Loans	3.63	3.63
Advances recoverable in cash or in kind or for value to be received	10.37	9.79
	<b>1529.50</b>	<b>1229.22</b>
Less : Provision for Doubtful Loans and Advances	14.00	13.42
	<b>1515.50</b>	<b>1215.80</b>

Loans to Subsidiaries comprise of :

- Interest free loans to wholly owned subsidiaries :
  - ITC Infotech India Limited Rs. 162.75 Crores (2007 - Rs. 117.47 Crores)  
(The maximum outstanding during the year was Rs. 176.62 Crores; 2007 - Rs. 129.97 Crores).
  - BFIL Finance Limited Rs. 33.89 Crores (2007 - Rs. 35.39 Crores)  
(The maximum outstanding during the year was Rs. 37.24 Crores; 2007 - Rs. 37.24 Crores).
  - Landbase India Limited Rs. 40.00 Crores (2007 - Rs. 36.00 Crores)  
(The maximum outstanding during the year was Rs. 40.00 Crores; 2007 - Rs. 36.00 Crores).

\* Includes Loans and Advances to Directors and to Company Secretary - Rs. 0.87 Crore (2007 - Rs. 1.01 Crores).  
The maximum indebtedness during the year was Rs. 1.01 Crores (2007 - Rs. 1.14 Crores).

\*\* Includes Capital Advances of Rs. 416.22 Crores (2007 - Rs. 264.06 Crores).

## Schedules to the Accounts

	As at 31st March, 2008 (Rs. in Crores)	As at 31st March, 2007 (Rs. in Crores)
<b>13. Liabilities</b>		
Acceptances	1.68	2.69
Sundry Creditors *		
Total outstanding dues of micro enterprises and small enterprises	2.15	0.18
Total outstanding dues of creditors other than micro enterprises and small enterprises **	2737.52	2343.26
Sundry Deposits	23.94	23.83
Unclaimed Dividend	32.97	25.66
Interest Accrued but not due on Loans	0.74	0.55
	<b>2799.00</b>	<b>2396.17</b>
Less : Deposits from normal Trade Debtors - Contra	12.03	11.42
	<b>2786.97</b>	<b>2384.75</b>

There is no amount due and outstanding to be credited to Investor Education and Protection Fund. For this purpose an amount of Rs. 0.30 Crore (2007 - Rs. 0.30 Crore) maintained with a bank has not been considered on account of a pending legal dispute for which the Company has filed a suit.

\* Includes amounts due to Subsidiary Companies Rs. 40.81 Crores (2007 - Rs. 7.40 Crores).

\*\* Includes amounts payable on acquisition of the Paperboards business (Kovai unit) Rs. 38.84 Crores (2007 - Rs. 77.67 Crores).

<b>14. Provisions</b>		
Fringe Benefit Tax (net of advance payment)	1.40	1.98
Provision for Retirement Benefits	50.75	56.36
Provision for Subsidiary	50.00	50.00
Proposed Dividend	1319.01	1166.29
Income Tax on Proposed Dividend	224.17	198.21
	<b>1645.33</b>	<b>1472.84</b>

	For the year ended 31st March, 2008 (Rs. in Crores)	For the year ended 31st March, 2007 (Rs. in Crores)
<b>15. Other Income</b>		
Miscellaneous Income	125.07	69.78
Doubtful Debts, Claims and Advances - previous years	0.03	0.35
Gain on Exchange - Net	17.02	8.91
Income from Long Term Investments – Trade	0.44	2.59
– Subsidiary	<u>93.29</u>	<u>18.50</u>
Income from Current Investments – Others	141.95	183.13
Interest on Loans and Deposits, etc.	106.41	20.79
Profit on Sale of Current Investments – Net	15.22	6.84
Liability no longer required Written Back	88.11	25.60
Excess of Fair Value of Current Investments over Cost	23.36	–
	<b>610.90</b>	<b>336.49</b>

The Income from Investments and Interest are stated Gross, the amount of Income Tax deducted is Rs. 19.33 Crores (2007 - Rs. 4.69 Crores).

# Schedules to the Accounts

	For the year ended 31st March, 2008 (Rs. in Crores)		For the year ended 31st March, 2007 (Rs. in Crores)	
<b>16. Raw Materials etc.</b>				
(a) RAW MATERIALS CONSUMED				
Opening Stock	2110.22		1674.07	
Purchases	5110.80		4141.73	
	7221.02		5815.80	
Less : Closing Stock	2743.70	4477.32	2110.22	3705.58
(b) PURCHASES AND CONTRACT MANUFACTURING CHARGES				
Cigarettes	19.15		26.95	
Agri Products				
– Soya Extraction	20.71		50.26	
– Soya Oil	15.20		19.55	
– Rice	109.17		473.02	
– Soya Seed	454.71		277.58	
– Coffee	124.68		121.68	
– Others	135.36		297.76	
Packaged Food Products	164.77		113.23	
Other Goods	564.88		463.40	
Packing Materials	47.88	1656.51	46.68	1890.11
(c) (INCREASE)/DECREASE IN FINISHED GOODS, INTERMEDIATES, STOCK IN PROCESS				
Opening Stock				
Cigarettes	445.76		354.00	
Smoking Tobaccos	0.67		0.68	
Printed Materials	6.96		7.21	
Agri Products				
– Soya Extraction	40.55		38.75	
– Soya Oil	11.22		9.92	
– Rice	43.20		31.54	
– Coffee	35.02		17.57	
– Others	146.10		102.77	
Paperboards and Paper	47.91		46.71	
Packaged Food Products	53.24		36.11	
Other Goods	172.26		113.05	
Packing Materials	26.23		19.30	
Intermediates - Tissue Paper and Paperboards	52.48		49.78	
Stock in Process	36.98		24.89	
	1118.58		852.28	
Closing Stock				
Cigarettes	476.88		445.76	
Smoking Tobaccos	0.86		0.67	
Printed Materials	6.18		6.96	
Agri Products				
– Soya Extraction	19.98		40.55	
– Soya Oil	4.90		11.22	
– Rice	13.35		43.20	
– Coffee	28.53		35.02	
– Others	26.56		146.10	
Paperboards and Paper	77.07		47.91	
Packaged Food Products	128.51		53.24	
Other Goods	251.46		172.26	
Packing Materials	15.41		26.23	
Intermediates - Tissue Paper and Paperboards	50.65		52.48	
Stock in Process	50.70		36.98	
	1151.04	(32.46)	1118.58	(266.30)
<b>Total</b>		<b>6101.37</b>		<b>5329.39</b>
Less : Waste/Raw Material Sales		111.44		205.02
		<b>5989.93</b>		<b>5124.37</b>
Excise Duties etc. on Increase/(Decrease) of Finished Goods		26.77		70.41
		<b>6016.70</b>		<b>5194.78</b>



## Schedules to the Accounts

	For the year ended 31st March, 2008 (Rs. in Crores)		For the year ended 31st March, 2007 (Rs. in Crores)	
<b>17. Manufacturing, Selling etc. Expenses</b>				
Salaries/Wages and Bonus	610.24		510.22	
Contribution to Provident and Other Funds	50.41		57.58	
Workmen and Staff Welfare Expenses	84.35		70.47	
	745.00		638.27	
Less : Recoveries	11.68	733.32	8.12	630.15
Consumption of Stores and Spare Parts		173.96		155.13
Power and Fuel		309.90		253.00
Rent		120.42		93.99
Rates and Taxes		41.95		42.00
Insurance		35.26		46.94
Repairs				
– Buildings		32.83		33.51
– Machinery		73.52		65.32
– Others		25.24		22.27
Outward Freight and Handling Charges		548.40		456.51
Advertising/Sales Promotion - Net		427.83		288.15
Market Research		36.28		29.25
Doubtful and Bad Debts		6.01		1.69
Doubtful and Bad Advances, Deposits etc.		0.70		1.11
Information Technology Services		133.33		99.97
Travelling and Conveyance		140.23		132.61
Training		11.33		12.20
Legal Expenses		11.90		10.67
Postage, Telephone etc.		26.42		26.36
Brokerage and Discount - Sales		4.75		6.37
Brokerage and Discount - Others		1.23		0.62
Commission to Selling Agents		25.91		22.39
Excess of Cost over Fair Value of Current Investments		–		20.60
Bank Charges		7.34		7.41
Interest etc. Paid – Debentures, Term Loans and Fixed Deposits	6.34		1.37	
– Others	10.93		7.26	
Less : Interest Received on Trading Debts, Deposits with Government Bodies etc.	12.66	4.61	5.35	3.28
Miscellaneous Expenses		692.66		578.33
Fixed Assets and Stores Discarded - Net		18.92		19.07
		3644.25		3058.90
Deduct : Transfers to Fixed Assets etc. Accounts		112.75		42.52
		<b>3531.50</b>		<b>3016.38</b>
Miscellaneous Expenses include :				
(1) Auditors' Remuneration and Expenses (excluding taxes)				
Audit Fees	1.25		1.05	
Tax Audit Fees	0.38		0.32	
Fees for Limited Review	0.45		0.45	
Fees for Other Services	0.52		0.40	
Reimbursement of Expenses	0.17		0.10	
(2) Cost Auditors' Fee	0.04		0.04	
(3) Consultancy/Professional Fees	131.57		92.85	

Interest received on Trading Debts, Deposits with Govt. Bodies etc. is stated Gross, the amount of Income Tax deducted is Rs. 1.29 Crores (2007 - Rs. 1.18 Crores).

## Schedules to the Accounts

	For the year ended 31st March, 2008 (Rs. in Crores)	For the year ended 31st March, 2007 (Rs. in Crores)
<b>18. Provision for Taxation</b>		
Income Tax for the year :		
Current Tax	1374.30	1214.89
Deferred Tax	82.70	32.10
Fringe Benefit Tax	23.97	16.08
	<b>1480.97</b>	<b>1263.07</b>
Less : Adjustments related to previous years - Net		
Current Tax	18.82	152.41
Deferred Tax	10.48	(116.07)
	<b>29.30</b>	<b>36.34</b>
	<b>1451.67</b>	<b>1226.73</b>

### 19. Notes to the Accounts

- (i) Exchange difference in respect of forward exchange contracts to be recognised in the profit and loss account in the subsequent accounting period amounts to Rs. 0.46 Crore (2007 - Rs. 1.00 Crore).
- (ii) (a) Claims against the Company not acknowledged as debts Rs. 308.08 Crores (2007 - Rs. 129.56 Crores). These comprise:
- Excise Duty, Sales Taxes and other Indirect Taxes claims disputed by the Company relating to issues of applicability and classification aggregating Rs. 229.62 Crores (2007 - Rs. 56.07 Crores).
  - Local Authority Taxes / Cess / Royalty on property, utilities, etc. claims disputed by the Company relating to issues of applicability and determination aggregating Rs. 37.18 Crores (2007 - Rs. 33.71 Crores).
  - Third party claims arising from disputes relating to contracts aggregating Rs. 37.01 Crores (2007 - Rs. 37.10 crores).
  - Other matters Rs. 4.27 Crores (2007 - Rs. 2.68 Crores).
- (b) Guarantees and Counter Guarantees outstanding
- Excise Rs. 5.77 Crores (2007 - Rs. 24.76 Crores).
  - Others Rs. 9.13 Crores (2007 - Rs. 9.63 Crores).
- (c) Uncalled liability on shares partly paid Rs. 26.40 Crores (2007 - Rs. 26.40 Crores).

	2008	2007
(iii) Earnings per share		
Earnings per share has been computed as under :		
(a) Profit after Taxation (Rs. Crores)	3120.10	2699.97
(b) Weighted average number of Ordinary Shares outstanding	3,76,41,67,486	3,75,76,36,907
(c) Effect of potential Ordinary Shares on Employee Stock Options outstanding	1,86,32,015	1,09,49,829
(d) Weighted average number of Ordinary Shares in computing diluted earnings per share [(b)+(c)]	3,78,27,99,501	3,76,85,86,736
(e) Earnings per share on profit after taxation (Face Value Re. 1.00 per share)		
– Basic [(a)/(b)]	Rs. 8.29	Rs. 7.19
– Diluted [(a)/(d)]	Rs. 8.25	Rs. 7.16

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

# Schedules to the Accounts

## 19. Notes to the Accounts (Contd.)

- (v) Research and Development expenses for the year amount to Rs. 46.61 Crores (2007 - Rs. 35.30 Crores).
- (vi) Defined Benefit Plans/Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2008 and recognised in the financial statements in respect of Employee Benefit Schemes :

		For the year ended 31st March, 2008 (Rs. in Crores)			For the year ended 31st March, 2007 (Rs. in Crores)		
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
		Funded		Unfunded	Funded		Unfunded
I	Components of Employer Expense						
	1 Current Service Cost	28.10	8.67	2.69	24.38	7.70	1.63
	2 Interest Cost	23.22	9.35	1.50	20.01	8.70	1.65
	3 Expected Return on Plan Assets	(25.02)	(11.31)	—	(22.25)	(10.43)	—
	4 Curtailment Cost/(Credit)	—	—	—	—	—	—
	5 Settlement Cost/(Credit)	—	—	—	—	—	—
	6 Past Service Cost	10.63	—	—	—	—	—
	7 Actuarial Losses/(Gains)	(22.14)	0.76	2.55	8.39	(2.82)	10.67
	8 <b>Total expense recognised in the Statement of Profit &amp; Loss Account</b>	<b>14.79</b>	<b>7.47</b>	<b>6.74</b>	<b>30.53</b>	<b>3.15</b>	<b>13.95</b>
The Pension and Gratuity Expenses have been recognised in "Contribution to Provident and Other Funds" and Leave Encashment in "Salaries/Wages and Bonus" under Schedule 17.							
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
II	<b>Actual Returns</b>	27.98	10.78	—	18.52	11.44	—
III	<b>Net Asset / (Liability) recognised in Balance Sheet</b>						
	1 Present Value of Defined Benefit Obligation	341.30	136.22	38.70	320.53	131.41	35.99
	2 Fair Value on Plan Assets	355.53	155.39	—	311.77	146.08	—
	3 Status [Surplus/(Deficit)]	14.23	19.17	(38.70)	(8.76)	14.67	(35.99)
	4 Unrecognised Past Service Cost	—	—	—	—	—	—
	5 <b>Net Asset/(Liability) recognised in Balance Sheet</b>	<b>14.23</b>	<b>19.17</b>	<b>(38.70)</b>	<b>(8.76)</b>	<b>14.67</b>	<b>(35.99)</b>
IV	<b>Change in Defined Benefit Obligations (DBO)</b>						
	1 Present Value of DBO at the Beginning of Period	320.53	131.41	35.99	288.08	125.83	24.85
	2 Current Service Cost	28.10	8.67	2.69	24.38	7.70	1.63
	3 Interest Cost	23.22	9.35	1.50	20.01	8.70	1.65
	4 Curtailment Cost/(Credit)	—	—	—	—	—	—
	5 Settlement Cost/(Credit)	—	—	—	—	—	—
	6 Plan Amendments	10.63	—	—	—	—	—
	7 Acquisitions	—	—	—	—	—	—
	8 Actuarial (Gains)/Losses	(19.19)	0.24	2.55	4.65	(1.80)	10.67
	9 Benefits Paid	(21.99)	(13.45)	(4.03)	(16.59)	(9.02)	(2.81)
	10 <b>Present Value of DBO at the End of Period</b>	<b>341.30</b>	<b>136.22</b>	<b>38.70</b>	<b>320.53</b>	<b>131.41</b>	<b>35.99</b>

# Schedules to the Accounts

## 19. Notes to the Accounts (Contd.)

		For the year ended 31st March, 2008 (Rs. in Crores)			For the year ended 31st March, 2007 (Rs. in Crores)			
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment	
V	Change in Fair Value of Assets							
	1	Plan Assets at the Beginning of Period	311.77	146.08	—	281.52	132.12	—
	2	Acquisition Adjustment	—	—	—	—	—	—
	3	Expected Return on Plan Assets	25.02	11.31	—	22.25	10.43	—
	4	Actuarial Gains/(Losses)	2.96	(0.53)	—	(3.73)	1.01	—
	5	Actual Company Contribution	37.77	11.98	—	28.32	11.54	—
	6	Benefits Paid	(21.99)	(13.45)	—	(16.59)	(9.02)	—
	7	Plan Assets at the End of Period	355.53	155.39	—	311.77	146.08	—
VI	Actuarial Assumptions							
	1	Discount Rate (%)	7.50	7.50	7.50	7.50	7.50	7.50
	2	Expected Return on Plan Assets (%)	7.50	7.50	—	7.50	7.50	—
	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.							
VII	Major Category of Plan Assets as a % of the Total Plan Assets	As at 31st March, 2008			As at 31st March, 2007			
	1	Government Securities/Special Deposit with RBI	41%			45%		
	2	High Quality Corporate Bonds	22%			23%		
	3	Insurance Companies	29%			26%		
	4	Mutual Funds	6%			1%		
	5	Cash and Cash Equivalents	2%			5%		
VIII	Basis used to determine the Expected Rate of Return on Plan Assets							
	The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.							

(vii) Micro and Medium scale business entities :

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2008. 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.

(viii) 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 Schedule 17.

# Schedules to the Accounts

## 19. Notes to the Accounts (Contd.)

(ix) 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, 2008	Percentage of Ownership interests as at 31st March, 2007
Maharaja Heritage Resorts Limited	India	50%	50%
CLIL e-Services Limited	India	50% minus 1 share	50% minus 1 share (Since 23rd March, 2007)

The Company's interest in these Joint Ventures is reported as Long Term Investments (Schedule -7) 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, 2008 (Rs. in Crores)	As at 31st March, 2007 (Rs. in Crores)
<b>I</b>	<b>ASSETS</b>		
1	Fixed Assets	4.65	4.51
2	Investments	17.03	4.29
3	Current Assets, Loans and Advances		
a)	Sundry Debtors	8.88	5.79
b)	Cash and Bank Balances	0.19	0.22
c)	Other Current Assets	1.89	0.90
d)	Loans and Advances	3.01	0.64
4	Deferred Tax - Net	0.04	0.03
<b>II</b>	<b>LIABILITIES</b>		
1	Secured Loans	0.01	0.02
2	Current Liabilities and Provisions		
a)	Liabilities	6.27	3.54
b)	Provisions	0.15	0.12

		For the year ended 31st March, 2008 (Rs. in Crores)	For the year ended 31st March, 2007 (Rs. in Crores)
<b>III</b>	<b>INCOME</b>		
1	Sales	54.14	40.81
2	Other Income	0.94	0.47
<b>IV</b>	<b>EXPENSES</b>		
1	Raw Materials etc.	—	7.66
2	Excise Duties and Taxes on Sales of Products and Services	0.16	16.13
3	Manufacturing, Selling etc. Expenses	42.83	13.12
4	Depreciation	3.83	0.11
5	Provision for Taxation	0.09	1.24

# Schedules to the Accounts

## 19. Notes to the Accounts (Contd.)

	For the year ended 31st March, 2008 (Rs. in Crores)	For the year ended 31st March, 2007 (Rs. in Crores)
(x) DIRECTORS' REMUNERATION		
Salaries	5.49	4.73
Performance Bonus to Wholetime Directors	9.44	4.32
Other Benefits	1.03	0.78
Commission, etc. to Non-Wholetime Directors	0.40	0.34
Directors' Fees	0.13	0.10
	<b>16.49</b>	<b>10.27</b>

The above excludes contribution to the approved group pension and gratuity funds which are actuarially determined on an overall basis.

Aggregate managerial remuneration of Rs. 16.49 Crores for the year, includes Rs. 4.49 Crores attributable to the increase in the performance bonus and other benefits of all the four Wholetime Directors with effect from 1st October, 2007 which is subject to approval by the Company in General Meeting.

Computation of Net Profit and Directors' Commission :

Profit before Taxation	4571.77	3926.70
Add :		
– Directors' Remuneration	16.49	10.27
– Wealth Tax - Net	1.53	1.27
– Depreciation	438.46	362.92
	456.48	374.46
	5028.25	4301.16
Less :		
– Depreciation under Section 350 of the Companies Act, 1956	438.46	362.92
Profit for the purpose of Directors' Commission	4589.79	3938.24
Non-Wholetime Directors' Commission @ 1%	45.90	39.38
Payable for the Year	0.40	0.34

# Schedules to the Accounts

## 19. Notes to the Accounts (Contd.)

### (xi) 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) Derivative Instrument outstanding as at year end :

Currency Pair	As at 31st March, 2008		As at 31st March, 2007	
	Buy	Sell	Buy	Sell
<b>(i) Forward Exchange Contracts</b>				
USD/INR	83.00	157.46	105.00	120.65
EUR/USD	11.00	1.00	52.00	—
GBP/USD	—	1.00	—	—
JPY/USD	299.87	—	218.00	—
CHF/USD	5.50	—	—	—
<b>(ii) Currency Options</b>				
USD/INR	163.00	91.00	25.00	—
GBP/USD	—	2.00	—	—
EUR/USD	23.00	—	—	—

#### b) Foreign Exchange Currency Exposures that have not been hedged by a Derivative Instrument or otherwise as at year end :

Currency Pair	As at 31st March, 2008			As at 31st March, 2007		
	Buy	Sell	Net*	Buy	Sell	Net*
USD/INR	47.06	21.24	25.82	2.01	6.43	(4.42)
EUR/USD	—	3.35	(3.35)	2.82	2.36	0.46
GBP/USD	0.75	—	0.75	0.99	1.57	(0.58)
JPY/USD	16.69	—	16.69	34.86	—	34.86
SEK/USD	1.74	—	1.74	0.36	—	0.36
CHF/USD	—	—	—	2.06	—	2.06
SGD/USD	0.16	—	0.16	0.18	—	0.18
DKK/USD	0.02	—	0.02	0.15	—	0.15
CAD/USD	—	0.11	(0.11)	—	0.14	(0.14)
AUD/USD	0.35	—	0.35	0.19	—	0.19

\* Positive figures indicate Open Imports and vice versa.

(xii) Consequent to the announcement issued by the Institute of Chartered Accountants of India in March, 2008 on Accounting for Derivatives, the Company has marked to market the outstanding derivative contracts as at 31st March, 2008 and accordingly, unrealised gains of Rs. 9.05 Crores (net of taxes) have been ignored. As a result, profit after tax for the year and reserves are lower by Rs. 9.05 Crores.

(xiii) The disclosures in respect of Employees Stock Option Scheme which are outlined in this year's Annexure to the Report of the Directors & Management Discussion and Analysis and Report on Corporate Governance are treated as an annexure to these accounts.



# Schedules to the Accounts

## 19. Notes to the Accounts (Contd.)

(xiv) ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPHS 3, 4C & 4D OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956

### (A) Licensed & Installed Capacity and Actual Production

Class of Goods	Unit of Quantity	CAPACITY				PRODUCTION	
		Registered/Licensed		Installed			
		2008	2007	2008	2007	2008	2007
Cigarettes	Million	1,23,547 (a)	1,23,547 (a)	1,08,570	1,07,773	65,770	63,038
Smoking Tobacco	Tonne	N.A.	N.A.	N.A.	N.A.	222	163
Printing and Packaging including Flexibles	Tonne	N.A.	N.A.	68,726	59,803	59,293 (b)	46,025 (b)
Corrugated Fibre Board Containers	Million	N.A.*	60	180	60	109	23
Redried Tobacco	Tonne	N.A.	N.A.	N.A.	N.A.	1,13,950 (b)	99,483 (b)
Pulp	Tonne	N.A.	N.A.	2,35,000	1,00,000	1,13,600 (b)	98,950 (b)
Paperboards and Paper	Tonne	N.A.	N.A.	3,52,500	3,52,500	4,14,714 (b)	3,90,458 (b)
Packaged Food Products	Tonne	N.A.	N.A.	49,840	5,100	11,763	465
Personal Care Products	Tonne	N.A.	N.A.	48,288	N.A.	4,063	N.A.

a) The "Registered/Licensed Capacity" (including as approved by "Letters of Intent") is exclusive of additional capacities permissible under the policy of the Government of India.

b) Includes production meant for internal consumption.

\* Licensed Capacity is not applicable as the product is dereserved/delicensed with effect from 5th February, 2008.

N.A. – Not Applicable

### (B) Particulars in respect of Sales\*

	Unit of Quantity	QUANTITY		VALUE (Rs. in Crores)	
		2008	2007	2008	2007
Cigarettes	Million	80,723	81,265	13815.54	12824.42
Smoking Tobacco	Tonne	195	164	9.74	9.09
Printed Materials	Tonne	19,300	11,361	163.19	111.50
Agri Products					
– Unmanufactured Tobacco	Tonne	62,028	49,691	511.40	422.34
– Soya Extraction	Tonne	2,82,603	3,64,544	383.71	374.78
– Soya Oil	Tonne	56,126	75,623	269.42	297.69
– Soya Seeds	Tonne	2,93,781	2,28,243	511.94	299.41
– Rice	Tonne	1,29,836	4,74,230	170.55	502.59
– Coffee	Tonne	25,265	24,151	218.69	186.84
– Others				303.57	314.60
Marine Products	Tonne	1,473	1,654	53.76	72.02
Paperboards and Paper	Tonne	3,29,423	3,20,870	1255.33	1151.71
Packaged Food Products	Tonne	6,98,272	5,00,292	1717.08	1083.42
Hotel Sales/Income from Services				1093.48	978.71
Others (Branded Garments, Matches, Stationery Products, Personal Care products etc.)				878.54	670.92
<b>TOTAL</b>				<b>21355.94</b>	<b>19300.04</b>

\* Net of Sales Returns and Damaged Stocks etc.

# Schedules to the Accounts

## 19. Notes to the Accounts (Contd.)

### (C) Details of Finished Goods

	Unit of Quantity	Quantity		Value (Rs. in Crores)	
		2008	2007	2008	2007
<b>(i) Opening Stock</b>					
Cigarettes	Million	4,138	3,456	445.76	354.00
Smoking Tobacco	Tonne	20	23	0.67	0.68
Printed Materials	Tonne	578	581	6.96	7.21
Agri Products					
– Soya Extraction	Tonne	38,172	44,452	40.55	38.75
– Soya Oil	Tonne	1,572	3,029	11.22	9.92
– Rice	Tonne	37,257	34,934	43.20	31.54
– Coffee	Tonne	4,445	2,252	35.02	17.57
– Others				146.10	102.77
Paperboards and Paper	Tonne	13,142	13,926	47.91	46.71
Packaged Food Products	Tonne	27,537	20,074	53.24	36.11
Other Goods				172.26	113.05
Packing Materials				26.23	19.30
				<b>1029.12</b>	<b>777.61</b>
<b>(ii) Closing Stock</b>					
Cigarettes	Million	3,881	4,138	476.88	445.76
Smoking Tobacco	Tonne	39	20	0.86	0.67
Printed Materials	Tonne	606	578	6.18	6.96
Agri Products					
– Soya Extraction	Tonne	14,559	38,172	19.98	40.55
– Soya Oil	Tonne	1,033	1,572	4.90	11.22
– Rice	Tonne	7,469	37,257	13.35	43.20
– Coffee	Tonne	2,959	4,445	28.53	35.02
– Others				26.56	146.10
Paperboards and Paper	Tonne	20,718	13,142	77.07	47.91
Packaged Food Products	Tonne	35,095	27,537	128.51	53.24
Other Goods				251.46	172.26
Packing Materials				15.41	26.23
				<b>1049.69</b>	<b>1029.12</b>
<b>(iii) Purchases and Contract Manufacturing Charges</b>					
Cigarettes	Million	14,873	18,993	19.15	26.95
Agri Products					
– Soya Extraction	Tonne	2,61,766	3,58,264	20.71	50.26
– Soya Oil	Tonne	55,587	74,166	15.20	19.55
– Rice	Tonne	1,00,178	4,76,554	109.17	473.02
– Soya Seeds	Tonne	2,93,781	2,28,243	454.71	277.58
– Coffee	Tonne	23,778	26,331	124.68	121.68
– Others				135.36	297.76
Packaged Food Products	Tonne	6,94,068	5,10,444	164.77	113.23
Other Goods				564.88	463.40
Packing Materials				47.88	46.68
				<b>1656.51</b>	<b>1890.11</b>

### (D) Details of Raw Materials Consumed during the year\*

Unmanufactured Tobacco	Tonne	1,46,912	1,32,342	808.28	703.42
Waste Paper and Pulp	Tonne	2,74,438	2,65,484	444.45	394.47
Hardwood and Bamboo	BDT**	3,01,812	2,74,528	133.21	107.90
Soya Seeds	Tonne	3,19,538	4,23,738	507.54	498.02
Wheat	Tonne	8,27,913	6,12,110	825.46	545.12
Other Agri Products	Tonne	55,915	36,184	197.55	129.20
Board	Tonne	10,475	10,250	102.31	88.01
Filter Rods	Million	11,475	11,335	123.03	124.63
Aluminium Foil/Metallised Paper	Bobbin	6,53,446	6,77,311	56.93	56.76
BOPP/Viscose Film	Tonne	2,028	2,029	32.95	36.69
Wheat Flour/Maida	Tonne	25,907	24,461	33.32	29.89
Sugar	Tonne	59,217	41,956	97.61	73.34
Hydrogenated Vegetable Oil	Tonne	25,386	16,928	106.46	71.30
Others				1008.22	846.83
				<b>4477.32</b>	<b>3705.58</b>

\* Relates to the Company's main products and the principal raw materials.

\*\* BDT-Bone Dry Tonne

# Schedules to the Accounts

## 19. Notes to the Accounts (Contd.)

### (E) Value of Raw Material, Spare Parts and Components Consumed during the year

	(Percentage)		Value (Rs. in Crores)	
	2008	2007	2008	2007
Raw Materials				
Imported	12.79	15.72	572.57	582.40
Indigenous	87.21	84.28	3904.75	3123.18
	<b>100.00</b>	<b>100.00</b>	<b>4477.32</b>	<b>3705.58</b>
Spare Parts and Components				
Imported	26.52	28.65	46.13	44.45
Indigenous	73.48	71.35	127.83	110.68
	<b>100.00</b>	<b>100.00</b>	<b>173.96</b>	<b>155.13</b>

### (F) Earnings etc. in Foreign Exchange during the year

	2008 (Rs. in Crores)	2007 (Rs. in Crores)
Export of Goods (F.O.B.- Realisation Basis)	1574.56	1719.51
Hotel Earnings	515.25	487.19
Other Earnings	78.60	76.51
	<b>2168.41</b>	<b>2283.21</b>

### (G) Value of Imports during the year (C.I.F. Basis)

Raw Materials	516.40	555.13
Components and Spare Parts	71.26	69.87
Capital Goods	453.01	482.48
Other Goods (including imports under eligible Export House Scheme)	10.43	11.76
	<b>1051.10</b>	<b>1119.24</b>

### (H) Expenditure in Foreign Currency during the year (on payment basis)

Professional Fees	31.20	22.62
Advertising/Sales Promotion	0.64	7.54
Export Promotion Expenses	8.78	6.24
Training	1.41	2.95
Hotel Reservation/Marketing Expenses	31.85	21.20
Licence Fees	0.85	0.57
Miscellaneous Expenditure	33.07	38.82
	<b>107.80</b>	<b>99.94</b>

### (I) Remittances in Foreign Currencies on account of Dividends

Financial Year	On Account of	No. of Shares held	No. of Non-Resident Shareholders	(Rs. in Crores)
2007/2008	2006/2007	1,25,39,97,396	68	388.74
2006/2007	2005/2006	1,27,17,86,249	69	337.02

# Schedules to the Accounts

## 20. Segment Reporting

### PRIMARY SEGMENT INFORMATION (BUSINESS SEGMENTS)

(Rs. in Crores)

	External Sales	Inter Segment Sales	2008 Total	External Sales	Inter Segment Sales	2007 Total
<b>1. Segment Revenue</b>						
FMCG - Cigarettes	13825.60	—	13825.60	12833.70	—	12833.70
FMCG - Others	2508.25	2.80	2511.05	1686.52	2.94	1689.46
<b>FMCG - Total</b>	<b>16333.85</b>	<b>2.80</b>	<b>16336.65</b>	<b>14520.22</b>	<b>2.94</b>	<b>14523.16</b>
Hotels	1093.48	6.72	1100.20	978.71	6.96	985.67
Agri Business	2503.03	1365.41	3868.44	2529.49	971.79	3501.28
Paperboards, Paper and Packaging	1425.58	938.75	2364.33	1271.62	828.44	2100.06
<b>Segment Total</b>	<b>21355.94</b>	<b>2313.68</b>	<b>23669.62</b>	<b>19300.04</b>	<b>1810.13</b>	<b>21110.17</b>
Eliminations			(2313.68)			(1810.13)
<b>Total Revenue</b>			<b>21355.94</b>			<b>19300.04</b>
<b>2. Segment Results</b>						
FMCG - Cigarettes			3634.04			3172.15
FMCG - Others			(263.52)			(201.99)
<b>FMCG - Total</b>			<b>3370.52</b>			<b>2970.16</b>
Hotels			410.77			350.78
Agri Business			129.19			123.55
Paperboards, Paper and Packaging			453.14			416.78
<b>Segment Total</b>			<b>4363.62</b>			<b>3861.27</b>
Eliminations			(35.84)			(30.51)
<b>Consolidated Total</b>			<b>4327.78</b>			<b>3830.76</b>
Unallocated corporate expenses net of unallocated income			132.07			132.63
<b>Profit before interest, etc. and taxation</b>			<b>4195.71</b>			<b>3698.13</b>
Interest etc. paid - Net			4.61			3.28
Interest on loans and deposits, income from current and long term investments, profit and loss on sale of investments etc.			380.67			231.85
<b>Profit before taxation</b>			<b>4571.77</b>			<b>3926.70</b>
Provision for taxation			1451.67			1226.73
<b>Profit after taxation</b>			<b>3120.10</b>			<b>2699.97</b>
<b>3. Other Information</b>						
	Segment Assets	Segment Liabilities*		Segment Assets	Segment Liabilities*	
FMCG - Cigarettes	3247.48	932.84		2966.09	969.40	
FMCG - Others	2141.17	314.51		1070.72	108.45	
<b>FMCG - Total</b>	<b>5388.65</b>	<b>1247.35</b>		<b>4036.81</b>	<b>1077.85</b>	
Hotels	2048.63	183.31		1625.55	159.30	
Agri Business	1771.14	302.17		1718.35	238.35	
Paperboards, Paper and Packaging	3690.15	425.97		2875.23	315.77	
<b>Segment Total</b>	<b>12898.57</b>	<b>2158.80</b>		<b>10255.94</b>	<b>1791.27</b>	
Unallocated Corporate Assets/Liabilities	4638.62	3320.72		4967.87	2995.46	
<b>Total</b>	<b>17537.19</b>	<b>5479.52</b>		<b>15223.81</b>	<b>4786.73</b>	
	Capital Expenditure	Depreciation	Non Cash expenditure other than depreciation	Capital Expenditure	Depreciation	Non Cash expenditure other than depreciation
FMCG - Cigarettes	445.08	133.99	5.13	550.47	105.35	2.11
FMCG - Others	308.79	42.17	0.53	192.52	20.11	(0.26)
<b>FMCG - Total</b>	<b>753.87</b>	<b>176.16</b>	<b>5.66</b>	<b>742.99</b>	<b>125.46</b>	<b>1.85</b>
Hotels	302.37	64.27	9.22	162.40	61.73	9.25
Agri Business	114.29	38.49	4.75	106.62	34.24	2.63
Paperboards, Paper and Packaging	886.32	135.69	2.26	470.14	121.82	5.31
<b>Segment Total</b>	<b>2056.85</b>	<b>414.61</b>	<b>21.89</b>	<b>1482.15</b>	<b>343.25</b>	<b>19.04</b>

\* Segment Liabilities of FMCG - Cigarettes is before considering provision of Rs. 598.42 Crores (2007 – Rs. 535.95 Crores) in respect of disputed State Taxes, the levy/collection of which has been stayed. These have been included under 'Unallocated Corporate Liabilities'.

# Schedules to the Accounts

## 20. Segment Reporting (Contd.)

### SECONDARY SEGMENT INFORMATION (GEOGRAPHICAL SEGMENTS)

	(Rs. in Crores)	
	2008	2007
<b>1. Segment Revenue</b>		
– Within India	19661.21	17374.22
– Outside India	1694.73	1925.82
<b>Total Revenue</b>	<b>21355.94</b>	<b>19300.04</b>
<b>2. Segment Assets</b>		
– Within India	12890.36	10249.47
– Outside India	8.21	6.47
<b>Total Assets</b>	<b>12898.57</b>	<b>10255.94</b>
<b>3. Capital Expenditure</b>		
– Within India	2056.85	1482.15
– Outside India	–	–
<b>Total Capital Expenditure</b>	<b>2056.85</b>	<b>1482.15</b>

### 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 & 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 & Smoking Mixtures.
	: Others	– Branded Packaged Foods (Staples, Biscuits, Confectionery, Snack Foods and Ready to Eat Foods), Garments, Educational and other Stationery, Matches, Agarbattis and Personal Care products.
Hotels		– Hoteliering.
Paperboards, Paper & Packaging		– Paperboards, Paper including Specialty Paper and Packaging including flexibles.
Agri Business		– Agri commodities such as rice, soya, coffee and leaf tobacco.
- The geographical segments considered for disclosure are :
  - Sales within India
  - Sales outside India
- Segment results of the new business activities namely 'FMCG : Others' largely reflect business development and gestation costs.
- The Company's Agri Business markets agri commodities in the export and domestic markets; supplies agri raw materials to the Branded Packaged Foods Business and sources leaf tobacco for the Cigarettes Business. The segment results for the year are after absorbing costs relating to the strategic e-Choupal initiative.

# Schedules to the Accounts

## 21. 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) Russell Credit Limited and its subsidiaries
  - Greenacre Holdings Limited
  - Wimco Limited and its subsidiaries
    - Wimco Boards Limited (amalgamated with Wimco Limited with effect from 01.04.2007)
    - Wimco Seedlings Limited (amalgamated with Wimco Limited with effect from 01.04.2007)
    - Pavan Poplar Limited (became a direct subsidiary of Wimco Limited pursuant to amalgamation of Wimco Seedlings Limited with Wimco Limited)
    - Prag Agro Farm Limited (became a direct subsidiary of Wimco Limited pursuant to amalgamation of Wimco Seedlings Limited with Wimco Limited)
  - Technico Pty Limited, Australia and its subsidiaries (became subsidiaries with effect from 17.08.2007)
    - Technico ISC Pty Limited, Australia
    - Chambal Agritech Limited
    - Technico Technologies Inc., Canada
    - Technico Asia Holdings Pty Limited, Australia
    - Technico Horticultural (Kunming) Co. Limited, China
    - Technico Group America Inc. (since dissolved as on 15.03.2008)
- e) ITC Infotech India Limited and its subsidiaries
  - ITC Infotech Limited
  - ITC Infotech (USA), Inc.
- f) Wills Corporation Limited
- g) Gold Flake Corporation Limited
- h) Landbase India Limited
- i) BFIL Finance Limited and its subsidiary
  - MRR Trading & Investment Company Limited
- j) Surya Nepal Private Limited
- k) King Maker Marketing, Inc.

The above list does not include:

- a) ITC Global Holdings Pte. Limited, Singapore (under liquidation)
  - Hup Hoon Traders Pte. Limited, Singapore
  - AOZT "Hup Hoon", Moscow
  - Hup Hoon Impex SRL, Romania
  - Fortune Tobacco Co. Limited, Cyprus
  - Fortune Tobacco Company Inc., USA, and
- b) BFIL Securities Limited (a subsidiary of BFIL Finance Ltd.) which is under voluntary winding up proceedings.

#### 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, etc.

#### i) Associates & Joint Ventures:

##### Associates

- a) Gujarat Hotels Limited
- b) Megatop Financial Services and Leasing Limited (amalgamated with Russell Credit Limited with effect from 01.04.2007)
- c) Newdeal Finance and Investment Limited (amalgamated with Russell Credit Limited with effect from 01.04.2007)
- d) Russell Investments Limited
- e) Asia Tobacco Company Limited

# Schedules to the Accounts

## 21. Related Party Disclosures (contd.)

- f) Classic Infrastructure & Development Limited
- g) International Travel House Limited  
– being associates of the Company, and
- h) Tobacco Manufacturers (India) Limited, UK  
of which the Company is an associate.

### Joint Ventures

- a) Maharaja Heritage Resorts Limited
- b) CLI3L e-Services Limited

### Joint Ventures of the Company's subsidiaries

- a) ITC Filtrona Limited (a joint venture of Gold Flake Corporation Limited)

### ii) a) Key Management Personnel:

Y.C. Deveshwar	Executive Chairman
S.S.H. Rehman	Executive Director
A. Singh	Executive Director
K. Vaidyanath	Executive Director
J.P. Daly	Non-Executive Director
C.R. Green	Non-Executive Director (ceased to be a director w.e.f. close of business on 31.03.2008)
S.B. Mathur	Non-Executive Director
P.B. Ramanujam	Non-Executive Director
B. Sen	Non-Executive Director
Ram S. Tarneja	Non-Executive Director
D.K. Mehrotra	Non-Executive Director
S.H. Khan	Non-Executive Director
B. Vijayaraghavan	Non-Executive Director
A. Baijal	Non-Executive Director (w.e.f. 27.07.2007)
R.K. Kaul	Non-Executive Director (w.e.f. 07.08.2007)
K.S. Vaidyanathan	Member - Corporate Management Committee (retired w.e.f. 04.06.2007)
A. Nayak	Permanent Invitee - Corporate Management Committee
R. Srinivasan	Permanent Invitee - Corporate Management Committee
R.G. Jacob	Special Invitee - Corporate Management Committee

### b) Relative of Key Management Personnel:

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

### iii) Employees' Benefit Plans where there is significant influence:

- a) IATC Provident Fund
- b) IATC Staff X Provident Fund
- c) ITC Management Staff Gratuity Fund
- d) ITC Employees Gratuity Fund
- e) ITC Gratuity Fund 'C'
- f) ITC Pension Fund
- g) ILTD Seasonal Employees Pension Fund
- h) ITC Platinum Jubilee Pension Fund
- i) Tribeni Tissues Limited Provident 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 'B'
- n) ITC Bhadrachalam Paperboards Limited Gratuity Fund 'C'
- o) ITC Bhadrachalam Paperboards Limited Staff Provident Fund



# Schedules to the Accounts

## 21. Related Party Disclosures (contd.)

### 3. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON 31.03.2008

(Rs. in Crores)

	Enterprises where control exists					Associates & Joint Ventures	Key Management Personnel		Employee Trusts		Total		
	Subsidiaries			Others									
	2008	2007		2008	2007		2008	2007	2008	2007	2008	2007	
1.	Sale of Goods/Services	136.09	102.92			12.07	30.50					148.16	133.42
2.	Purchase of Goods/Services	281.89	250.75			147.68	162.53					429.57	413.28
3.	Acquisition cost of Fixed Assets	1.92	0.01									1.92	0.01
4.	Sale of Fixed Assets/Scrap		0.08			0.03	0.13					0.03	0.21
5.	Acquisition of Investments												
	- Purchase of CLIL e-Services Limited Shares from I3L Limited		51.00										
6.	Interest Income							0.02	0.03			0.02	0.03
7.	Remuneration to Key Management Personnel												
	- Directors [See Schedule 19 (x)]							16.49	10.27			16.49	10.27
	- Others							3.04	3.34			3.04	3.34
8.	Rent Paid	6.52	2.57					0.55*	0.03			7.07	2.60
9.	Reimbursement of Contractual Remuneration	0.47										0.62	0.10
10.	Remuneration of managers on deputation recovered	7.74	6.45									9.41	8.47
11.	Donations				2.16	4.00						2.16	4.00
12.	Contributions to Employees Benefit Plans										66.44	58.40	58.40
13.	Dividend income	93.29	18.50				0.44	2.59				93.73	21.09
14.	Dividend payments						307.76	263.09	0.86	0.67		308.62	263.76
15.	Expenses recovered	11.97	9.04		0.08	0.02	6.64	3.96				18.69	13.02
16.	Expenses reimbursed	4.82	5.29		0.07		2.45	2.53				7.34	7.82
17.	Loans Given												
	- Russell Credit Limited	126.31										126.31	
	- ITC Infotech India Limited	112.21	71.64									112.21	71.64
	- Others	4.00	4.00									4.00	4.00
18.	Receipt towards Loan Repayments												
	- Russell Credit Limited	126.31										126.31	
	- ITC Infotech India Limited	66.93	62.26							0.13		66.93	62.26
	- Others	1.50	1.85						0.14			1.64	1.98
19.	Advances Given	13.87	26.27				1.55	0.88				15.42	27.15
20.	Receipt towards refund of Advances	3.07	0.13				2.79	2.40				5.86	2.53
21.	Advances Received	56.22	17.97									56.22	17.97
22.	Payment towards refund of Advances	32.30	17.95									32.30	17.95
23.	Deposits received during the year	...					0.03					0.03	
24.	Deposits refunded during the year						0.31	0.01				0.31	0.01
25.	Deposits given during the year								0.27*			0.27	
26.	Receipt towards refund of Deposits						42.29					42.29	
27.	Balances as on 31st March,												
	i) Debtors/Receivables	13.26	9.84				14.18	21.80				27.44	31.64
	ii) Advances Given	96.16	85.36				5.60	6.84			33.40	135.16	106.88
	iii) Loans Given	236.64	188.86						0.86	1.00		237.50	189.86
	iv) Deposits with (including Deposits towards Property Options)	2.56	2.56					42.29	0.27*			2.83	44.85
	v) Advances Taken	23.94	0.02									23.94	0.02
	vi) Deposits From	...										3.08	3.36
	vii) Creditors/Payables	16.87	7.38				3.08	3.36				3.08	3.36
	viii) Investments in Non-Convertible Debentures	15.00	15.00				5.59	6.48			8.76	22.46	22.62
28.	Provision for subsidiary (made in earlier years)											15.00	15.00
29.	as on 31st March,	50.00	50.00									50.00	50.00
	In addition, remuneration of managers on deputation, absorbed	1.34			0.08	0.04	0.74	0.79				2.16	0.83

\* Includes transactions Rs. 0.52 Crore (2007 : Rs. Nil); Balance Rs. 0.27 Crore (2007 : Rs. Nil) with relative of a Key Management Personnel.

# Schedules to the Accounts

## 22. Significant Accounting Policies

### IT IS CORPORATE POLICY

#### Convention

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

#### Basis of Accounting

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

#### 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.

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

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

#### Revaluation of Assets

As and when Fixed Assets are revalued, to adjust the provision for depreciation on such revalued Fixed Assets, where applicable, in order to make allowance for consequent additional diminution in value on considerations of age, condition and unexpired useful life of such Fixed Assets;

to transfer to Revaluation Reserve the difference between the written up value of the Fixed Assets revalued and depreciation adjustment and to charge Revaluation Reserve Account with annual depreciation on that portion of the value which is written up.

#### 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 where there is a permanent fall in valuation of Long Term Investments.

#### Inventories

To state inventories including work-in-progress at cost or below. 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.

#### Sales

To state net sales after deducting taxes and duties from invoiced value of goods and services rendered.

#### Investment Income

To account for Income from Investments on an accrual basis, inclusive of related tax deducted at source.

#### 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 scheme and such paid/payable amounts are charged against revenue. To administer such Funds through duly constituted and approved independent trusts with the exception of Provident Fund and Family Pension contributions in respect of Unionised Staff which are statutorily deposited with the Government.

To administer through duly constituted and approved independent trusts, various Gratuity and Pension Funds

# Schedules to the Accounts

## 22. Significant Accounting Policies (Contd.)

which are in the nature of defined benefit scheme. To determine the liabilities towards such schemes and towards employee leave encashment by an independent actuarial valuation as per the requirements of Accounting Standard – 15 (revised 2005) on “Employee Benefits”. To determine actuarial gains or losses and to recognise such gains or losses immediately in Profit and Loss Account 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 equipment to the Profit and Loss Account.

### 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 Fixed Assets.

### Taxes on Income

To provide Current tax as the amount of tax payable in respect of taxable income for the period.

To provide Deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

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

### Foreign Currency Translation

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

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

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

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

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

To recognise the net mark to market loss in the Profit and Loss Account on the outstanding portfolio of options as at the Balance Sheet date, and to ignore the net gain, if any.

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

### 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 the enterprise as a whole and are not attributable to segments.

### Financial and Management Information Systems

To practise an Integrated Accounting System which unifies both Financial Books and Costing Records. The books of account and other records have been designed to facilitate compliance with the relevant provisions of the Companies Act on one hand, and meet the internal requirements of information and systems for Planning, Review and Internal Control on the other. To ensure that the Cost Accounts are designed to adopt Costing Systems appropriate to the business carried out by the Division with each Division incorporating into its Costing System, the basic tenets and principles of Standard Costing, Budgetary Control and Marginal Costing as appropriate.

On behalf of the Board

	Y.C. DEVESHWAR	<i>Chairman</i>
Kolkata	K. VAIDYANATH	<i>Director</i>
23rd May, 2008	B.B. CHATTERJEE	<i>Secretary</i>