Ind AS Disclosures

17th February 2018

The Society of Auditors · The Chartered Accountants Study Circle · Association of Chartered Accountants

Introduction

- Financial Statements **communicate** financial position and financial performance of an entity.
- **Effective communication** is the **key.**
- Ensuring that the reader gets adequate information to understand the financial statements.
- **Notes to Accounts** play a vital role in **explaining the** 'numbers' in financial statements.
- **Notes to Accounts** provides the information on the 'composition of schedules' and also explaining how these amounts were derived, etc.,

Is there a guideline governing 'what and how much that needs to be disclosed'?

Principles of Effective Communication

Entity Specific

- How does a particular issue affect the entity. Avoid using 'boilerplate' language.

Simple and Direct

- Be economical with words and space.

Organised

- Right Place. Right Information.

Cross Reference

- Link to other parts of financial statements or annual report.

No Duplication

- Do not repeat. Use Cross Reference.

Comparability

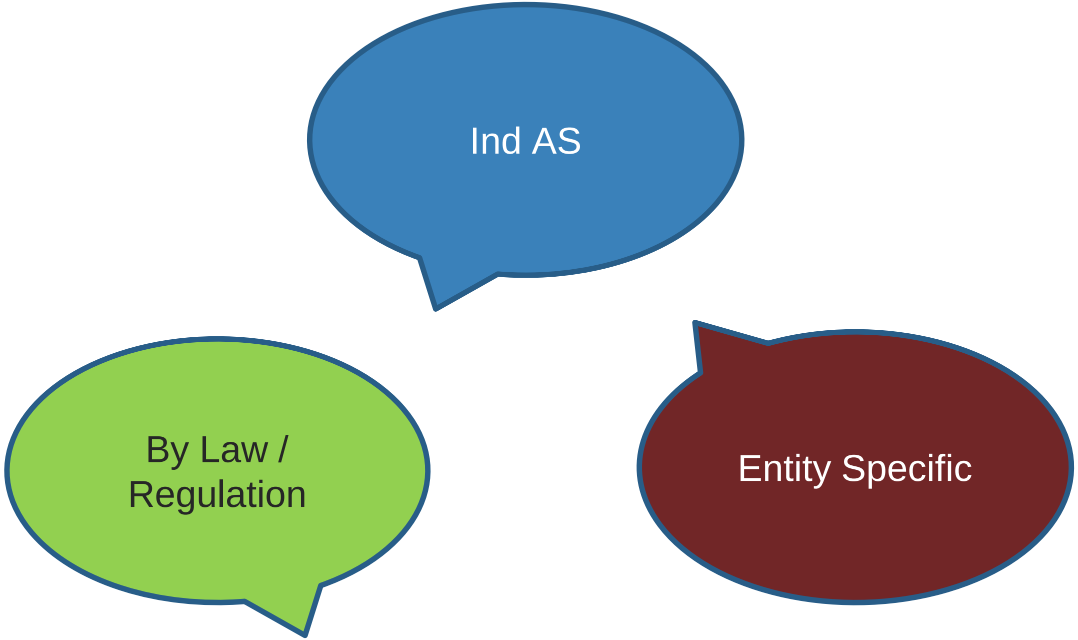
- Between the periods. Between the entities.

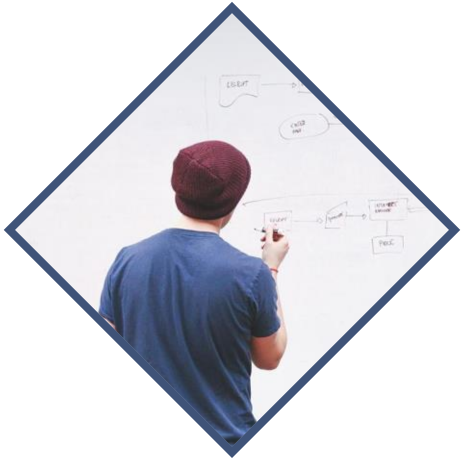
Format

- Table instead of Narratives?

Source: Disclosure Initiative – Principles of Disclosure - IASB

Guidance from…





Key Disclosures

Key Disclosure Requirements under Ind AS

- Transition Level Disclosures. IGAAP Reconciliation.
- Financial Instruments Related
- Fair Valuation Hierarchy
- Risk and Capital Management
- Management Estimates and Judgements
- Accounting Vs. Tax Profit.
- Operating Segments

Guidance from…

Ind AS

Disclosures:

- Ind AS 101 – Transition level disclosures:
  - Reconciliation with Indian GAAP
    - Networth
    - Profit
  - Choice of Exemptions.
- Ind AS Specific Disclosures:
  - Ind AS 2: Inventory Valuation, Ind AS 16 : Property, Plant and Equipment;
  - Disclosure requirements covered in respective standards.
- Disclosure Standards in Ind AS:
  - Ind AS 107: Financial Instruments.
  - Ind AS 112: Disclosure of Interest in Other Entities.

IGAAP – Ind AS Reconciliation - Equity

4. The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101.

(i) **Reconciliation of Equity**

Amount ₹ in Crore

Particulars	Note	**As at March 31, 2016**	As at April 01, 2015
Equity as per IGAAP		**3,482.14**	3,227.25
Obligation to acquire minority interest in a subsidiary (Put option)	2	**(228.13)**	(195.92)
Realignment for Project Cost	5	**(182.26)**	(175.27)
Fair Valuation adjustment on Business Combination net of acquisition cost	9	**108.74**	-
Fair Valuation of Investment (Net of tax) & Effective Interest Cost	12	**11.97**	134.06
Consolidation of ESOP Trust	13	**(116.93)**	(150.86)
Non Controlling Interest	2,3	**1,414.29**	1,102.50
Share in Profits of Associates and Joint Venture	8	**(215.65)**	(138.59)
Adjustment of Goodwill on sale of stake in subsidiary	4	**10.30**	-
MTM of Derivative contracts	16	**(4.33)**	(0.71)
Deferral of Revenue	6	**(4.01)**	(2.33)
Provision for Sales Return	7	**-**	(1.55)
Reversal of Proposed Dividend and Dividend Distribution Tax	11	**-**	78.89
Deferred Tax on Ind AS adjustments	14	**4.45**	64.97
Other Ind AS adjustments	10	**1.80**	3.23
Total Ind AS adjustments		**800.24**	718.42
Equity as per Ind AS		**4,282.38**	3,945.67

Source: Godrej Industries Limited,. Annual Report 2016-17.

IGAAP – Ind AS Reconciliation – Net Profit, Cash Flows

(ii) Reconciliation of Net Profit

Particulars	Note	Amount ₹ in Crore Year ended March 31, 2016
Net Profit after tax for the year		484.43
Realignment for Project Cost	5	(62.43)
Realignment for Non Controlling Interest	3	7.79
Consolidation of ESOP Trust	13	(11.22)
Fair Valuation of Investment (Net of tax) & Effective Interest Cost	12	(141.07)
Fair Valuation of Assets on Business Combination	9	71.45
MTM of Derivative contract	16	(3.64)
Deferral of Revenue	6	(1.08)
Share of profits in Associates and JVs	8	(74.61)
Reversal of Profit on Sale of Subsidiaries Shares	4	(145.92)
Other Ind AS adjustments	10	18.16
Deferred tax on Ind AS adjustments	14	(1.38)
Total Ind AS adjustments		(343.95)
Total Comprehensive Income attributable to the owners of the Company as per Ind AS		140.48

(iii) Reconciliation of Cash Flow for the Year ended March 31, 2016 — Amount ₹ in Crore

Particulars	Note	Previous GAAP	Ind AS Adjustments	Ind AS
Net Cash Flow from Operating activities	5, 6, 7, 10, 13	(44.42)	242.97	198.55
Net Cash Flow from Investing activities	8	(340.81)	153.15	(187.66)
Net Cash Flow from Financing activities	12,15,16	383.40	(381.06)	2.34
Net Increase / (Decrease) in Cash & Cash Equivalents		(1.83)	15.06	13.23
Cash & Cash Equivalents as on April 01, 2015		187.91	(130.62)	57.29
Acquisition on Amalgamation	9	18.27	(15.12)	3.15
Cash & Cash Equivalents as on March 31, 2016	15	204.35	(130.68)	73.67

Separate notes to be given explaining the items in reconciliation.

Source: Godrej Industries Limited,. Annual Report 2016-17.

IGAAP – Ind AS Reconciliation – Balance Sheet

Note 55 - First-time adoption of Ind AS (Ind AS 101): (Contd.)

Reconciliation of equity ₹ in Crores

Particulars	Notes	As at April01, 2015			As at March 31, 2016		
		Indian GAAP	+/-	Ind AS	Indian GAAP	+/-	Ind AS
Equity and Liabilities							
Equity							
(a) Equity Share Capital		274.40	-	274.40	274.43	-	274.43
(a) Other Equity	b, i, j, k,m to u	18,583.28	682.58	19,265.86	20,461.66	895.74	21,357.40
Equity Attributable to Equity Holders of Parent		18,857.68	682.58	19,540.26	20,736.09	(895.74)	21,631.83
Liabilities							
Non-current liabilities							
(a) Financial Liabilities							
(i) Borrowings	g, l	4,613.75	387.17	5,000.92	2,490.84	177.05	2,667.89
(ii) Other financial liabilities	e	0.25	77.62	77.87	6.94	-	6.94
(b) Provisions	h	163.36	68.43	231.79	180.77	71.96	252.73
(c) Deferred tax liabilities (net)	j	2,792.01	(664.61)	2,127.40	3,227.37	(795.38)	2,431.99
(d) Other non-current liabilities		1.09	-	1.09	1.04	-	1.04
Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings	g	1,898.08	-	1,898.08	2,339.07	(0.32)	2,338.75
(ii) Trade Payables	i	1,553.47	(6.64)	1,546.83	1,613.57	(32.11)	1,581.46
(iii) Other financial liabilities	e, g, i	1,279.69	58.28	1,337.97	3,141.20	441.50	3,582.70
(b) Other current liabilities		2,915.92	-	2,915.92	3,169.29	(6.17)	3,163.12
(c) Provisions	k	455.20	(297.24)	157.96	475.64	(313.78)	161.86
(d) Current Tax Liabilities (net)		684.45	-	684.45	470.26	-	470.26
Total Equity and Liabilities		35,214.95	305.59	35,520.54	37,852.08	438.49	38,290.57

Source: Ultra Tech Cement Limited,. Annual Report 2016-17.

IGAAP – Ind AS Reconciliation – Balance Sheet

Note 55 - First-time adoption of Ind AS (Ind AS 101): (Contd.)

Reconciliation of equity ₹ in Crores

Particulars	Notes	As at April01, 2015			As at March 31, 2016		
		Indian GAAP	+/-	Ind AS	Indian GAAP	+/-	Ind AS
Equity and Liabilities							
Equity							
(a) Equity Share Capital		274.40	-	274.40	274.43	-	274.43
(a) Other Equity	b, i, j, k,m to u	18,583.28	682.58	19,265.86	20,461.66	895.74	21,357.40
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(iii) Other financial liabilities	e, g, i	1,279.69	58.28	1,337.97	3,141.20	441.50	3,582.70
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Source: Ultra Tech Cement Limited,. Annual Report 2016-17.

IGAAP – Ind AS Reconciliation – Statement of P&L

Reconciliation of Total Comprehensive Income for the year ended March 31, 2016

Particulars	Notes	Indian GAAP	Effect of transition to Ind AS	Ind AS
Revenue				
Revenue from Operations	m, n	24,107.36	2,839.78	26,947.14
Other Income	o	235.16	245.50	480.66
Total Income (I)		**24,342.52**	**3,085.28**	**27,427.80**
Expenses				
Cost of Raw Materials Consumed	p	3,553.71	(2.83)	3,550.88
Purchases of Stock-in-Trade		439.68	-	439.68
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	m (ii)	(12.31)	5.50	(17.81)
Employee Benefits Expense	q, r	1,341.52	1.50	1,343.02
Finance Costs	t	505.29	6.37	511.66
Depreciation and Amortisation Expense	s	1,289.03	8.01	1,297.04
Power and Fuel		4,240.81	-	4,240.81
Freight and Forwarding Expense		5,934.90	-	5,934.90
Excise Duty on sales	m		3,238.85	3,238.85
Other Expenses	s	4,029.28	(402.22)	3,627.06
Less: Captive Consumption of Cement		(36.35)	-	(36.35)
Total Expenses (II)		**21,285.56**	**2,843.68**	**24,129.24**
Profit before Tax Expenses		**3,056.96**	**241.60**	**3,298.56**
Tax Expenses:				
Current Tax		623.81	-	623.81
Deferred Tax Charge	j	258.50	46.09	304.59
Total		**882.31**	**46.09**	**928.40**
Profit for the Year		**2,174.65**	**195.51**	**2,370.16**

MSME Disclosures…

3.18 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company. The amount of principal and interest outstanding is given below:

₹ Lakhs

	Particulars	2017	2016	2015
i)	Principal amount paid after appointed date during the year	28.85	319.28	273.10
ii)	Amount of interest due and payable for the delayed payment of principal amount	0.90	3.10	5.17
iii)	Principal amount remaining unpaid as at year end (over due)	0.28	23.31	16.18
iv)	Principal amount remaining unpaid as at year end (not due)	726.59	446.57	720.49
v)	Interest due and payable on principal amount unpaid as at the year end	0.09	0.53	1.13
vi)	Total amount of interest accrued and unpaid as at year end	0.99	3.63	6.30

Source: Ashok Leyland Ltd,. Annual Report 2016-17.

Sec.186(4) of Companies Act 2013…

43. **Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of the Companies Act, 2013**

(a) Amount of loans/advances in nature of loans outstanding from Subsidiaries and Joint Operations for the year ended March 31, 2017, on a standalone basis. **(₹ in crores)**

	Name of the Company	Outstanding as at March 31, 2017	Maximum amount outstanding during the year
(i)	**Subsidiaries:**		
	Tata Motors European Technical Centre Plc., UK	**34.39**	**40.56**
	[Tata Motors European Technical Centre has utilised this loan for investment in National Automotive Innovation Centre set up jointly with University of Warwick and Jaguar Landrover Ltd and carried an interest rate of 12 months LIBOR + 3% prevailing rate (4.7076% p.a-5.6492% p.a)	40.56	40.56
	Tata Hispano Motors Carrocera S.A.	**539.40**	**539.40**
	(Tata Hispano Motors Carrocera S.A. has utilised this loan for meeting its capex requirement and general corporate purposes, which is fully provided)	539.40	539.40
	Tata Hispano Motors Carroceries Maghreb S.A.	**58.39**	**58.39**
	(Tata Hispano Motors Carroceries Maghreb S.A. has utilised this loan for general corporate purposes, which is partly provided)	58.32	58.32
	TAL Manufacturing Solutions Ltd	-	**5.00**
	(Inter Corporate Deposit utilised for working capital finance at the rate of interest of 9.25% p.a. to 10.50% p.a. having Call / Put option)	5.00	15.00
	Concorde Motors (India) Ltd	**50.00**	**50.00**
	(Inter Corporate Deposit utilised for working capital finance at the rate of interest of 9.00% p.a. to 10.00% p.a. having Call / Put option)	50.00	50.00
	Tata Marcopolo Motors Ltd	**10.00**	**25.00**
	(Inter Corporate Deposit utilised for working capital finance at the rate of interest of 9.00% p.a. to 10.00% p.a. having Call / Put option)	25.00	25.00
(ii)	**Joint Operations:**		
	Fiat India Automobiles Private Ltd	-	**265.00**
	(Loan has been utilised for meeting Capex requirement. The Interest rate is RBI Bank rate)	265.00	265.00

(b) Details of Investments made are given in notes 6, 7, 8 and 9.

Source: Tata Motors Ltd., Annual Report 2016-17.

Guidance from…

Entity Specific

Disclosures:

- Litigations.
- Changes in Accounting Policies.
- M&A, Other Reconstructions.

Ind AS 1 Presentation of Financial Statements

Ind AS 1: Presentation of Financial Statements

- Para 99: An entity shall present an analysis of expenses recognized in profit or loss using a classification based on the nature of expense method.

in ₹ crore

Particulars	Year ended March 31, 2017	2016
Revenue from operations	59,289	53,983
Cost of sales	37,057	33,409
Gross Profit	22,232	20,574
Operating expenses		
Selling and marketing expenses	2,728	2,695
General and administration expenses	3,628	3,285
Total operating expenses	6,356	5,980
Operating profit	15,876	14,594
Other income, net	3,062	3,006
Profit before tax	18,938	17,600
Tax expense		
Current tax	5,068	4,898
Deferred tax	52	9
Profit for the period	13,818	12,693
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of the net defined benefit liability / asset	(42)	(2)
Equity instruments through other comprehensive income	(5)	–
	(47)	(2)
Items that will be reclassified subsequently to profit or loss		
Fair value changes on cash flow hedges, net	39	–
Fair value changes on investments, net	(10)	–
	29	–
Total other comprehensive income, net of tax	(18)	(2)
Total comprehensive income for the period	13,800	12,691

Source: Infosys Annual Report 2016-17.

Ind AS 1: Presentation of Financial Statements

- Para 61: Whichever method of presentation is adopted, an entity shall disclose the amount expected to be recovered or settled after more than twelve months for each asset and liability line item that combines amounts expected to be recovered or settled: (a) no more than twelve months after the reporting period, and (b) more than twelve months after the reporting period.

Notes forming part of the Financial Statements (contd.)

NOTE [43]

Disclosure pursuant to Ind AS 1 "Presentation of financial statements":

(a) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

₹ crore

Particulars	Note	As at 31-3-2017			As at 31-3-2016			As at 1-4-2015		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Inventories	9	1706.03	56.83	1762.86	1914.84	40.27	1955.11	2236.19	24.58	2260.77
Trade receivables	11	19527.21	392.76	19919.97	18516.81	450.94	18967.75	16233.86	556.14	16790.00
Loans - current	14	1914.37	5.04	1919.41	2432.23	0.03	2432.26	1377.11	4.50	1381.61
Other financial assets	15	1949.83	104.80	2054.63	1772.38	108.11	1880.49	1318.01	110.08	1428.09
Other current assets	16	23972.84	9290.86	33263.70	23418.54	10063.41	33481.95	19909.13	8545.70	28454.83

(b) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

₹ crore

Particulars	Note	As at 31-3-2017			As at 31-3-2016			As at 1-4-2015		
		Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Trade payables	25	22779.22	1252.61	24031.83	21223.65	992.27	22215.92	17215.21	1160.79	18376.00
Other financial liabilities	26	1529.91	42.74	1572.65	1280.68	39.00	1319.68	1159.37	31.20	1190.57
Other current liabilities	27	12184.01	6113.71	18297.72	13186.78	5465.18	18651.96	11149.24	5636.74	16785.98
Provisions	28	963.70	128.45	1092.15	821.76	75.53	897.29	754.28	47.14	801.42

Source: L&T Limited Annual Report 2016-17.

Ind AS 1: Presentation of Financial Statements

- Para 74: Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

- Para 75: However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least twelve months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

	31 March 2017 (Rupees in Lacs)	31 March 2016 (Rupees in Lacs)	1 April 2015 (Rupees in Lacs)
Note 18 : BORROWINGS			
Non current borrowings (Refer note 21 below)			
Term loans			
Secured			
Rupee loans from banks (Refer note 1 to 15 below)	91,604.69	70,296.29	53,830.13
Rupee loans from financial institutions (Refer note 16 & 17 below)	416.73	604.48	20,675.31
Foreign currency loan from a bank (Refer note 18 below)	8,399.33	9,906.96	10,291.65
Unsecured			
Rupee loan from a bank (Refer note 19 below)	—	—	2,147.45
Debentures (Refer note 20 below)	—	—	1,600.00
	100,420.75	**80,807.73**	**88,544.54**
Less: Current maturities (Refer note 25)	4,554.85	3,039.95	14,866.04
	95,865.90	**77,767.78**	**73,678.50**

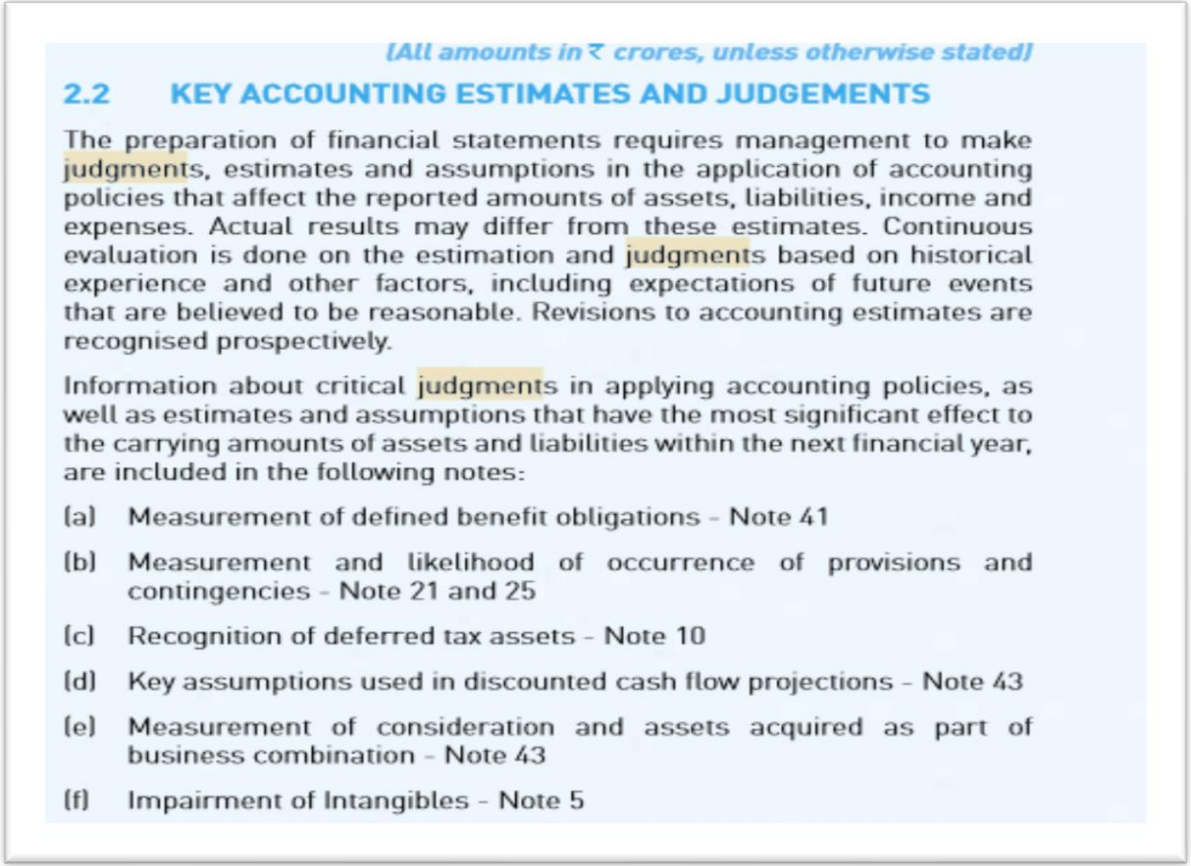
21 **Loan covenants**

Bank loans contain certain debt covenants relating to limit on total borrowings amount, security coverage ratio and others. The Company has breached certain loan covenants as at the end of the reporting date. However, the Company has obtained waiver letters from banks for compliance with these covenants till 31 March 2018, pursuant to which these loans have been classified as non current.

Source: Bharat Hotels Ltd., Annual Report 2016-17.

Ind AS 1: Presentation of Financial Statements

- Para 122 : An entity shall disclose, in the summary of significant accounting policies or other notes, the judgements, apart from those involving estimations (see paragraph 125), that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.



(All amounts in ₹ crores, unless otherwise stated)

2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(a) Measurement of defined benefit obligations - Note 41

(b) Measurement and likelihood of occurrence of provisions and contingencies - Note 21 and 25

(c) Recognition of deferred tax assets - Note 10

(d) Key assumptions used in discounted cash flow projections - Note 43

(e) Measurement of consideration and assets acquired as part of business combination - Note 43

(f) Impairment of Intangibles - Note 5

Source: HUL Annual Report 2016-17.

Ind AS 1: Presentation of Financial Statements

- Para 125 An entity shall disclose information about the assumptions it makes about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. In respect of those assets and liabilities, the notes shall include details of:

(a) their nature, and

(b) their carrying amount as at the end of the reporting period.

SIGNIFICANT CASH GENERATING UNITS (CGUs)

The Company has identified its reportable segments Home care, Personal Care, Foods, Refreshments and Others as the CGUs. The goodwill and brand (with indefinite life) acquired through business combination has been entirely allocated to CGU 'Personal Care' segment of the Company. The carrying amount of goodwill and brand as at 31st March, 2017 is ₹ 0 crores and ₹ 311 crores respectively.

Following key assumptions were considered while performing Impairment testing

Long term sustainable growth rates	7%
Weighted Average Cost of Capital % (WACC) before tax	13%
Average segmental margins	24%

The projections cover a period of five years, as we believe this to be the most appropriate timescale over which to review and consider annual performances before applying a fixed terminal value multiple to the final year cash flows. The growth rates used to estimate future performance are based on the conservative estimates from past performance. Segmental margins are based on FY 2016-17 performance.

Weighted Average Cost of Capital % (WACC) = Risk free return + (Market risk premium x Beta variant for the Company)

We have performed sensitivity analysis around the base assumptions and have concluded that no reasonable changes in key assumptions would cause the recoverable amount of the CGU to be less than the carrying value.

Source: HUL Annual Report 2016-17.

Ind AS 1: Presentation of Financial Statements

- Para 41 If an entity changes the presentation or classification of items in its financial statements, it shall reclassify comparative amounts unless reclassification is impracticable. When an entity reclassifies comparative amounts, it shall disclose (including as at the beginning of the preceding period):

(a) the nature of the reclassification;
(b) the amount of each item or class of items that is reclassified; and
(c) the reason for the reclassification.

Consolidated income statement

For the year ended 31 December 2016

	Notes	2016 £m	2015[1] £m
Revenue	2	**14,955**	13,725
Cost of sales		**(11,907)**	(10,448)
Gross profit		**3,048**	3,277
Other operating income		**5**	10
Commercial and administrative costs[2]		**(2,208)**	(1,070)
Research and development costs	3	**(918)**	(818)
Share of results of joint ventures and associates	11	**117**	100
Operating profit		**44**	1,499
(Loss)/profit on disposal of businesses		**(3)**	2
Profit before financing and taxation	2	**41**	1,501
Financing income	4	**96**	115
Financing costs	4	**(4,773)**	(1,456)
Net financing		**(4,677)**	(1,341)
(Loss)/profit before taxation'		**(4,636)**	160
Taxation	5	**604**	(76)
(Loss)/profit for the year		**(4,032)**	84

[1] 2015 figures have been restated as a result of £11m of Power Systems costs previously reported in 'cost of sales', being reclassified as 'commercial and administrative costs' to ensure consistent treatment with 2016. The applicable notes have also been restated.
[2] In 2016, 'commercial and administrative costs' include £671m for financial penalties from agreements with investigating bodies (see note 23) and £306m for the restructuring of the UK pension schemes (see note 19).

Source: Rolls-Royce Holdings Plc, Annual Report 2016-17.

Other Ind AS

Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors

Para : 30 When an entity has not applied a new Ind AS that has been issued but is not yet effective, the entity shall disclose:

(a) this fact; and

(b) known or reasonably estimable information relevant to assessing the possible impact that application of the new Ind AS will have on the entity's financial statements in the period of initial application.

Note 60:

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the company from April 1, 2017. The Company is evaluating the requirements of the amendment and the effect on the consolidated financial statements is being evaluated.

(A) Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(B) Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

Source: Infosys Annual Report 2016-17.

Ind AS 12: Income Taxes

Para 81(d): an explanation of changes in the applicable tax rate(s) compared to the previous accounting period;

Note 39 - Income Taxes (Ind AS 12):

(i) Reconciliation of Effective Tax Rate: In %

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Applicable tax rate	34.61	34.61
Effect of Tax Exempt Income	(0.20)	(0.10)
Effect of Non-Deductible expenses	0.93	0.73
Effect of Allowances for tax purpose	(2.96)	(4.30)
Effect of Tax paid at a lower rate	(2.38)	(2.94)
Effect of Previous year adjustments	-	0.01
Others	0.41	0.14
Effective Tax Rate	30.41	28.15

Source: Ultratech Cements Limited: Annual Report 2016-17.

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

in ₹ crore

Particulars	Year ended March 31,	
	2017	2016
Profit before income taxes	19,951	18,740
Enacted tax rates in India (%)	34.61	34.61
Computed expected tax expense	6,905	6,486
Tax effect due to non-taxable income for Indian tax purposes	(1,982)	(1,758)
Overseas taxes	750	715
Tax provision (reversals), overseas and domestic	(152)	(309)
Effect of exempt non-operating income	(65)	(83)
Effect of unrecognized deferred tax assets	93	62
Effect of differential overseas tax rates	64	3
Effect of non-deductible expenses	26	194
Additional deduction on research and development expense	(56)	(60)
Others	15	1
Income tax expense	5,598	5,251

The applicable Indian statutory tax rates for fiscals 2017 and 2016, is 34.61%.

On a standalone basis, the effective tax rate (based on profit before tax) decreased to 27.0% in fiscal 2017, as compared to 27.9% in fiscal 2016. The decrease in effective net tax rate was mainly due to the increase in benefits from SEZ units as a percentage of profit before income taxes, decrease in effect of non-deductible expenses partially offset by decrease in net tax reversals.

Source: Infosys Annual Report 2016-17.

Ind AS 12: Income Taxes

Para 81(e) the amount (and expiry date, if any) of deductible temporary differences, unused tax losses, and unused tax credits for which no deferred tax asset is recognized in the balance sheet;

NOTE [49]

Disclosure pursuant to Ind AS 12 "Income Taxes" *(contd.)*

(c) i. Unused tax losses for which no deferred tax asset is recognised in Balance Sheet

Particulars	As at 31-3-2017			*As at 31-3-2016*			*As at 1-4-2015*		
	Base amount (₹ crore)	Deferred tax (₹ crore)	Expiry date (Assessment year)	*Base amount (₹ crore)*	*Deferred tax (₹ crore)*	*Expiry date (Assessment year)*	*Base amount (₹ crore)*	*Deferred tax (₹ crore)*	*Expiry date (Assessment year)*
Tax losses (capital loss on which no tax asset is created)									
Assessment Year 2017-18	1336.82	247.71	31-3-2026	–	–	–	–	–	–
Assessment Year 2016-17	1149.58	265.23	31-3-2025	*1149.58*	*265.23*	*31-3-2025*	–	–	–
Total	2486.40	512.94	–	*1149.58*	*265.23*	–	–	–	–

ii. Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet

₹ crore

Sr. no.	Particulars	As at 31-3-2017		*As at 31-3-2016*		*As at 1-4-2015*	
		Base amount	Deferred tax	*Base amount*	*Deferred tax*	*Base amount*	*Deferred tax*
(a)	Deductible temporary differences towards provision for diminution in value of investments on which DTA not created	1019.47	243.23	*204.47*	*55.19*	*46.04*	*15.65*
(b)	Temporary differences arising out of revaluation of tax base of assets (on account of indexation benefit)	4736.69	1092.85	*3706.06*	*855.06*	*3832.28*	*868.39*
	Total	5756.16	1336.08	*3910.53*	*910.25*	*3878.32*	*884.04*

Source: L&T Annual Report 2016-17.

Ind AS 19: Employee Benefits

Para 139(b): a description of the risks to which the plan exposes the entity, focused on any unusual, entity specific or plan-specific risks, and of any significant concentrations of risk

3.4 Retirement benefit plans (Continued)

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest rate risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Source: Ashok Leyland: Annual Report 2016-17.

Ind AS 19: Employee Benefits

Para 145: An entity shall disclose:
(a) a sensitivity analysis for each significant actuarial assumption (as disclosed under paragraph 144) as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at that date.
(b) the methods and assumptions used in preparing the sensitivity analyses required by the limitations of those methods.
(c) changes from the previous period in the methods and assumptions used in preparing the sensitivity analyses, and the reasons for such changes.

3.4.8 The Company funds the cost of the gratuity expected to be earned on a yearly basis to Life Insurance Corporation of India, which manages the plan assets.

The actual return on plan assets was ₹1,705.48 lakhs (2015-16: ₹1,026.91 lakhs).

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period.

	As at March 31, 2017	As at March 31, 2016
	₹ Lakhs	₹ Lakhs
Gratuity		
If the discount rate is 50 basis points higher/lower, the defined benefit obligation would:		
decrease by	753.66	625.21
increase by	797.08	661.24
If the expected salary increases/decreases by 50 basis points, the defined benefit obligation would:		
increase by	839.06	704.91
decrease by	798.34	671.27
Compensated Absences		
If the discount rate is 50 basis points higher/lower, the defined benefit obligation would:		
decrease by	262.25	233.58
increase by	279.69	249.07
If the expected salary increases/decreases by 50 basis points, the defined benefit obligation would:		
increase by	289.82	259.37
decrease by	273.62	244.90

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated

Source: Ashok Leyland : Annual Report 2016-17.

Ind AS 24: Related Party Disclosures

Para 13: Relationships between a parent and its subsidiaries shall be disclosed irrespective of whether there have been transactions between them. **An entity shall disclose the name of its parent and, if different, the ultimate controlling party.** If neither the entity's parent nor the ultimate controlling party produces consolidated financial statements available for public use, the name of the next most senior parent that does so shall also be disclosed.

Source TVS Motors Ltd: Annual Report 2016-17.

34 RELATED PARTY DISCLOSURE

(a) (i) Related parties and their relationship where control exists

Holding company:
Sundaram-Clayton Limited, Chennai

Ultimate holding company:
T V Sundram Iyengar & Sons Private Limited, Madurai

Subsidiaries:
Sundaram Auto Components Limited, Chennai
TVS Motor Company (Europe) B.V, Amsterdam
TVS Motor (Singapore) Pte. Limited, Singapore
PT. TVS Motor Company Indonesia, Jakarta
TVS Housing Limited, Chennai
Sundaram Holding USA Inc, Delaware, USA
Green Hills Land holding LLC, South Carolina, USA
Component Equipment Leasing LLC, South Carolina, USA
Workspace Project LLC, South Carolina, USA
Premier Land Holding LLC, South Carolina, USA.

Associate company:
Emerald Haven Realty Limited, Chennai (Formerly known as Green Earth Homes Limited)

(ii) Other related parties and their relationship where transaction exists:

Fellow subsidiaries:
TVS Electronics Limited, Chennai
Southern Roadways Limited, Madurai
Sundaram Industries Private Limited, Madurai
Lucas-TVS Limited, Chennai
Lucas Indian Service Limited, Chennai
TVS Auto Assist (India) Limited, Chennai

Associate / Joint venture of holding / subsidiary / fellow subsidiary company:
Brakes India Private Limited, Chennai

Associate / Joint venture of holding / subsidiary / fellow subsidiary company - *(continued)*
TVS Srichakra Limited, Madurai
Wheels India Limited, Chennai
Sundram Fasteners Limited, Chennai
India Nippon Electricals Limited, Chennai
Sundaram Brake Linings Limited, Chennai
TVS Auto Bangladesh Limited, Dhaka
TVS Lanka Private Limited, Colombo
TVS Logistics Services Limited, Chennai
Harita Techserv Limited, Chennai

Subsidiaries of associate / joint venture:
Upasana Engineering Limited, Chennai
TVS Dynamic Global Freight Services Limited, Chennai
TVS Commutation Solutions Limited, Chennai

Enterprises in which directors are interested:
TVS Agro Products Private Limited (Formerly known as TVS Organics Private Limited)
Designo Lifestyle Solutions Private Limited
Dua Associates
Dua Consulting Private Limited
McCann-Erickson (India) Private Limited

Key Management personnel:
Mr Venu Srinivasan, Chairman & Managing Director
Mr Sudarshan Venu, Joint Managing Director

Relative(s) of the Key Management personnel
Dr. Lakshmi Venu, Director

Enterprise over which key management personnel and their relative have significant influence:
Harita-NTI Limited, Chennai

Ind AS 24: Related Party Disclosures

Para 24: Items of a similar nature may be disclosed in aggregate except when separate disclosure is necessary for an understanding of the effects of related party transactions on the financial statements of the entity.

34 RELATED PARTY DISCLOSURE - *(continued)*

	As at/ Year ended 31-03-2017	As at/ Year ended 31-03-2016
(b) Transactions with related parties:		
(i) Purchase of goods		
- ultimate holding company (TV Sundram Iyengar & Sons Private Limited, Madurai)	0.42	0.33
- holding company (Sundaram-Clayton Limited, Chennai)	304.30	346.61
- subsidiary companies		
Sundaram Auto Components Limited, Chennai	362.41	351.35
PT.TVS Motor Company Indonesia, Jakarta	0.46	18.38
- fellow subsidiaries		
TVS Electronics Limited, Chennai	0.13	0.15
Sundaram Industries Private Limited, Madurai	0.07	0.29
Lucas-TVS Limited, Chennai	79.01	78.91
Lucas Indian Service Limited, Chennai	6.45	4.95
- associate / joint venture of holding / subsidiary / fellow subsidiary company		
Brakes India Private Limited, Chennai	13.24	19.93
TVS Srichakra Limited, Madurai	272.47	278.86
Wheels India Limited, Chennai	4.42	6.98
Sundram Fasteners Limited, Chennai	51.95	73.39
India Nippon Electricals Limited, Chennai	209.00	194.92
Sundaram Brake Linings Limited, Chennai	9.60	10.76
- subsidiaries of associate / joint venture		
Upasana Engineering Limited, Chennai	14.94	12.81
- enterprises over which key management personnel and his relatives have significant influence (Harita-NTI Limited, Chennai)	1.18	0.81
- enterprises in which directors are interested		
TVS Agro Products Private Limited (Formerly known as TVS Organics Private Limited)	0.73	0.65
Designo Lifestyle Solutions Private Limited	0.09	–

Source TVS Motors Ltd: Annual Report 2016-17.

Ind AS 24: Related Party Disclosures

Para 17: An entity shall disclose key management personnel compensation in total and for each of the following categories:

(a) short-term employee benefits;

(b) post-employment benefits;

(c) other long-term benefits;

(d) termination benefits; and

(e) share-based payment.

(c) Compensation of key management personnel of the Company:

Nature of transaction/relationship	Year ended March 31, 2017	Year ended March 31, 2016
Short-term employee benefits	9.48	12.66
Other long-term benefits	4.81	3.02
Share based payment	0.49	2.96
Total compensation paid to key management personnel	14.78	18.64

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

Terms and Conditions of transactions with Related Parties:

The sales to and purchases from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

For the year ended March 31, 2017, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Source Ultratech Cement Ltd.,: Annual Report 2016-17.

Ind AS 37: Provisions, Contingent Liabilities & Contingent Assets

Para 89: Where an inflow of economic benefits is probable, an entity shall disclose a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect, measured using the principles set out for provisions in paragraphs 36–52.

D. CONTINGENT ASSETS

(₹ in Crore)

		Mar-2017	Mar-2016	01.04.2015
a.	A customer had lodged a claim against the company challenging the pricing mechanism of utilities provided. The matter was referred to arbitration and the award is in favour of the company. However, the management believes that the customer may approach the appellate authority and therefore management is treating the award as contingent asset	96.00	-	-
b.	Contingent Asset in respect of M/s Khazana Projects and Industries (P) Ltd. for the amount of risk & cost claim along with 15% supervision charges admitted by the Arbitrator in favour of IOCL.	3.36	3.24	3.12
	Total	**99.36**	**3.24**	**3.12**

Source: Indian Oil Corporation Limited: Annual Report 2016-17.

Ind AS 107: Fair Value Classification

Note No. 35 - Financial Instruments-Accounting Classification and fair values

A. Accounting Classification and Fair Values

₹ in Lakhs

March 31, 2017		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/ Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets:									
Quoted Equity Investments	Non-Current	-	992.95	-	992.95	992.95	-	-	992.95
Unquoted Equity Investments	Non-Current	-	8.12	-	8.12	-	8.12	-	8.12
Loans	Non-Current	-	-	65.75	65.75	-	-	-	-
Other Financial Assets	Non-Current	-	-	1660.33	1660.33	-	-	-	-
Investment in Mutual Funds	Current	9863.83	-	-	9863.83	9863.83	-	-	9863.83
Trade Receivables	Current	-	-	15995.58	15995.58	-	-	-	-
Cash and Cash Equivalents	Current	-	-	4424.89	4424.89	-	-	-	-
Loans	Current	-	-	6048.58	6048.58	-	-	-	-
Other Financial Assets	Current	-	-	6056.49	6056.49	-	-	-	-
Total Financial Assets		**9863.83**	**1001.07**	**34251.62**	**45116.52**	**10856.78**	**8.12**	**-**	**10864.90**

March 31, 2017		Carrying Amount				Fair Value			
		FVTPL	FVTOCI	Cost/ Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Liabilities:									
Borrowings	Non-Current	-	-	63493.91	63493.91	-	-	-	-
Other Financial Liabilities	Non-Current	-	-	671.60	671.60	-	-	-	-
Borrowings	Current	-	-	12975.43	12975.43	-	-	-	-
Trade Payables	Current	-	-	10399.22	10399.22	-	-	-	-
Other Financial Liabilities	Current	-	-	14822.58	14822.58	-	-	-	-
Total Financial Liabilities		**-**	**-**	**102362.74**	**102362.74**	**-**	**-**	**-**	**-**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and other non current investments included in level 3.

Source : Tata Coffee Limited/ TVS Motor Co Ltd., Annual Report 2016-17.

Ind AS 107: Risk Management

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost	Aging analysis Credit rating	Diversification of bank deposits, credit limits and letter of credit
Liquidity risk	Business commitment and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts Foreign currency options
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - security prices	Investments in equity instruments and debt mutual funds	Sensitivity analysis	Portfolio diversification

The financial risk management of the Company is carried out under the policies approved by the Board of Directors. Within these policies, the Board provides written principles for overall risk management including policies covering specific areas, such as foreign exchange risk management, commodity risk management and investment of funds.

Source: Maruthi Udyog Ltd.,: Annual Report 2016-17.

Ind AS 107: Risk Management

(A) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

Financial instruments that are subject to such risk, principally consist of investments, trade receivables, loans and advances and derivative instruments. None of the financial instruments of the Company results in material concentration of credit risks.

Financial assets for which loss allowance is measured:

	Notes	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Loans - non current	7	125	125	125
Trade receivables	8	6	6	6
Other financial assets - current	9	4	-	-

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

(B) Liquidity risk

Liquidity risk refers to the risk that the Company can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure funds are available for use as per the requirements.

The Company operates with a low Debt Equity ratio. The company raises short term rupee borrowings for cash flow mismatches and hence carries no significant liquidity risk. The Company has access to the borrowing facilities of ₹ 28,450 million as at 31.03.2017 (₹ 29,650 million as at 31.03.2016 and ₹ 28,880 million as at 01.04.2015) to honour any liquidity requirements arising for business needs. The Company has large investments in debt mutual funds which can be redeemed on a very short notice and hence carries negligible liquidity risk.

Source: Maruthi Udyog Ltd.,: Annual Report 2016-17.

Ind AS 107: Capital Management

40. **Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, non-convertible debentures, senior notes and other long-term/short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Total borrowings includes all long and short-term borrowings as disclosed in notes 23,24 and 26 (a) to the financial statements. Equity comprises all components excluding (profit)/loss on cash flow hedges.

The following table summarizes the capital of the Company:

(₹ in crores)

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Equity*	**20,786.51**	23,254.72	15,132.67
Short-term borrowings and current maturities of long-term borrowings	**5,887.89**	5,873.38	9,390.87
Long-term borrowings	**13,686.09**	10,599.96	12,234.88
Total borrowings	**19,573.98**	16,473.34	21,625.75
Total capital (Debt + Equity)	**40,360.49**	39,728.06	36,758.42
* Details of equity :			
Total equity as reported in balance sheet	**20,809.15**	23,262.11	15,149.36
Hedging reserve	**(11.26)**	(7.39)	(16.69)
Cost of Hedge reserve	**(11.38)**	-	-
Equity as reported above	**20,786.51**	23,254.72	15,132.67

Source : Tata Motors Ltd., : Annual Report 2016-17.

Ind AS 108: Operating Segments

Para 31: Entity-wide Disclosure to be given.

Scenario 1:

- **One Business Segment**
- **No Geographical Segment**

Note 34: Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and Finance Director of the Company. The Company operates only in one Business Segment i.e. 'Personal Care (including Oral Care)' which primarily includes products such as Soaps, Cosmetics and Toilet Preparations and the activities incidental thereto within India, hence does not have any reportable Segments as per Ind AS 108 "Operating Segments". The performance of the Company is mainly driven by sales made locally and hence, no separate geographical segment is identified.

Source: Coalgate-Palmolive : Annual Report 2016-17.

Ind AS 108: Operating Segments

Para 31: Entity-wide Disclosure to be given.
Scenario 2:
- **Multiple Segment**
- **And Geographical Segment**

The country is domicile in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

(₹ in Crore)

Particulars	31st March, 2017	31st March, 2016
India	4,579.45	4,679.58
Bangladesh	591.32	592.23
Vietnam	380.15	303.90
Others	385.00	448.74
	5,935.92	**6,024.45**
Segment results (Profit before tax and interest)		
India	1,058.83	963.12
International	198.66	207.40
Total segment results	**1,257.49**	**1,170.52**
Less : (i) Finance cost	16.58	20.62
(ii) Other un-allocable expenditure net of unallocable income	91.21	120.67
Profit before tax	**1,149.70**	**1,029.23**
Share of profit/ (loss) of Joint Venture	(1.00)	(0.53)
Profit Before Tax after share of profit/ (loss) of Joint Venture	**1,148.70**	**1,028.70**

Source: Marico Limited: Annual Report 2016-17.

Ind AS 108: Operating Segments

Para 31: Entity-wide Disclosure to be given.

Scenario 2:

- **Multiple Segment**
- **And Geographical Segment**

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Segment assets			
India	1,695.72	1,369.68	1,376.76
International	914.44	981.06	967.61
Unallocated	989.36	1,030.43	782.13
Total segment assets	**3,599.52**	**3,381.17**	**3,126.50**
Segment liabilities			
India	703.05	723.07	670.58
International	287.65	301.67	220.98
Unallocated	269.80	324.73	420.84
Total segment liabilities	**1,260.50**	**1,349.47**	**1,312.40**

Geographical non-current assets (Property, plant and equipment, capital work in progress, investment properties, goodwill, other intangible assets and other non-current assets) are allocated based on the location of the assets.

Information regarding geographical non-current assets is as follows:

(₹ in Crore)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
India	544.54	546.80	519.84
Bangladesh	50.43	55.25	59.48
Vietnam*	481.66	500.51	486.02
Others	37.45	45.84	56.44
	1,114.08	**1,148.40**	**1,121.78**

* Includes Goodwill on consolidation amounting to Rs. 453.92 as at 31st March, 2017, Rs. 473.03 Crore as at 31st March, 2016 and Rs. 461.29 Crore as at 1st April, 2015.

Source: Marico Limited: Annual Report 2016-17.

Ind AS 108: Operating Segments

Para 34: Information about major customers

An entity shall provide information about the extent of its reliance on its major customers. If revenues from transactions with a single external customer amount to 10 per cent or more of an entity's revenues, the entity shall disclose that fact, the total amount of revenues from each such customer, and the identity of the segment or segments reporting the revenues. The entity need not disclose the identity of a major customer or the amount of revenues that each segment reports from that customer. For the purposes of this Ind AS, a group of entities known to a reporting entity to be under common control shall be considered a single customer

NOTES :

(1) The Company's corporate strategy aims at creating multiple drivers of growth anchored on its core competencies. The Company is currently focused on four business groups : FMCG, Hotels, Paperboards, Paper and Packaging and Agri Business. The Company's organisational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.

The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Corporate Management Committee, which is the Chief Operating Decision Maker.

(2) The business groups comprise the following :

FMCG : Cigarettes	–	Cigarettes, Cigars etc.
: Others	–	Branded Packaged Foods Businesses (Staples; Snacks and Meals; Dairy and Beverages; Confections); Apparel; Education and Stationery Products; Personal Care Products; Safety Matches and Agarbattis.
Hotels	–	Hoteliering.
Paperboards, Paper and Packaging	–	Paperboards, Paper including Specialty Paper and Packaging including Flexibles.
Agri Business	–	Agri commodities such as soya, spices, coffee and leaf tobacco.

(3) The geographical information considered for disclosure are :
– Sales within India.
– Sales outside India.

(4) Segment results of 'FMCG : Others' are after considering significant business development, brand building and gestation costs of the Branded Packaged Foods businesses and Personal Care Products business.

(5) As stock options are granted under ITC ESOS to align the interests of employees with those of shareholders and also to attract and retain talent for the enterprise as a whole, the option value of ITC ESOS do not form part of the segment performance reviewed by the Corporate Management Committee.

(6) The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

Source: ITC Limited : Annual Report 2016-17.

Ind AS 108: Operating Segments

Para 28: All material reconciling items shall be separately identified and described. For example, the amount of each material adjustment needed **to reconcile reportable segment profit or loss to the entity's profit or loss arising from different accounting policies** shall be separately identified and described.

Information on reportable segment for the year ended March 31, 2017 is as follows:

	IT Services								IT Products	Reconciling Items	Company total
	BFSI	HLS	CBU	ENU	MNT	COMM	Others	Total			
Revenue[1]	135,967	82,242	83,417	68,883	119,175	38,756	-	528,440	25,922	(153)	₹ 554,209
Other operating income	-	-	-	-	-	-	-	4,082	-	-	4,082
Segment Result	24,939	9,479	14,493	14,421	23,453	6,149	-	92,934	(1,680)	(469)	90,785
Unallocated								(951)	-	-	(951)
Segment Result Total								**96,065**	**(1,680)**	**(469)**	**93,916**
Finance cost											(5,183)
Other income											21,660
Profit before tax											**110,393**
Income tax expense											(25,214)
Profit for the Year											**₹ 85,179**
Depreciation, amortization and impairment											23,100

Notes:

a) Effective April 1, 2016, CODM's review of the segment results is measured after including the amortization charge for acquired intangibles to the respective segments. Such costs were classified under reconciling items till the year ended March 31, 2016 under the Previous GAAP.

b) "Reconciling items" includes dividend income/ gains/ losses relating to strategic investments, elimination of inter-segment transactions and other corporate activities.

c) Revenue from sale of traded cloud based licenses is reported as part of IT Services revenues.

d) For evaluating performance of the individual operating segments, share based compensation expense is allocated on the basis of straight line amortization. The differential impact of accelerated amortization of stock compensation expense over share based compensation expense allocated to the individual operating segments is reported in reconciling items.

e) The Company generally offers multi-year payment terms in certain total outsourcing contracts. These payment terms primarily relate to IT hardware, software and certain transformation services in outsourcing contracts. The finance income on deferred consideration earned under these contracts is included in the revenue of the respective segment and is eliminated under reconciling items.

f) Segment result of HLS industry vertical for the year ended March 31, 2017 is after considering the impact of impairment charge recorded on certain intangible assets recognized on acquisitions. Also refer note 7.

Source: Wipro Ltd., : Annual Report 2016-17.

Ind AS 112: Disclosure of interests in other entities

Para 9: To comply with paragraph 7, an entity shall disclose, for example, significant judgements and assumptions made in determining that:

(a) it does not control another entity even though it holds more than half of the voting rights of the other entity.

(b) it controls another entity even though it holds less than half of the voting rights of the other entity.

…….

d) Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control)

Havells International Limited (WOS of Havells Holdings Limited) holds 49% equity interest in Thai Lighting Asset Co. Ltd. However the said Group has majority representation on Board of Directors of the entity and and approval of the said Group is required for all major operational decisions and the operations are solely carried out for the benefit of the Group. Based on facts and circumstances, management determine that in substance the Group control this entity and therefore reported the same as controlled entities.

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Source Havells India Limited., : Annual Report 2016-17.

How many disclosures?

Business Standard

'Ind AS requires 3,000 disclosures for fair picture of cos'

Press Trust of India | New Delhi May 24, 2016 Last Updated at 17:42 IST

To provide a "fair picture" of a company's financial position, more than 3,000 disclosures will be required under the Indian Accounting Standards, according to chartered accountants' apex body ICAI.

Ind AS, which is mandatory for certain class of companies from April 1 this year, is converged with International Financial Reporting Standards (IFRS).

The aim of these standards is to make the financial statements more transparent and minimise the possibility of manipulation, as per the Institute of Chartered Accountants of India (ICAI).

The new accounting standard primarily focuses on three aspects -- time value of money, fair value of assets/ liabilities and disclosures.

ICAI President M Devaraja Reddy said Ind AS are based on the premise that financial statements should be more transparent and faithfully represent the actual financial position and performance of an entity.

"In order to present a fair picture of the entity's financial position, these standards would require more than 3,000 disclosures. Such disclosures would assist investors in making more informed financial decisions and predicting the future financial performance of the entities," Reddy told PTI.

Reddy said increased transparency would ensure that analysts and other stakeholders, among others, would be able to benchmark the judgments and estimates made by the entity against their peers in India and globally.

Among others, Ind AS 107 requires very comprehensive disclosures regarding financial instruments and risks to which an entity is exposed as well as the policies for managing such risks.

Certain class of companies, including those with a net worth of Rs 500 crore or more have to mandatorily follow Ind AS from April 1, 2016.

Feel the pulse…


Thanks