

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the Eighth Annual Report of the Company with the audited accounts for the year ended March 31, 2014.

FINANCIAL RESULTS

The summarized financial results of the Company are given hereunder:

Particulars	(₹ in Lakh)	
	For the year ended 31/03/2014	For the year ended 31/03/2013
Gross Income	186,996.02	159,977.81
Profit before Tax	39,723.99	46,994.42
Provision for Tax	10,511.00	12,573.00
Profit after Tax	29,212.99	34,421.42
Add : Balance brought forward from previous year	51,792.04	39,694.63
Balance available for appropriation	81,005.03	74,116.05
Appropriations:		
Interim Dividend	10,572.72	1,990.16
Dividend Distribution Tax	1,796.83	322.85
Special Reserve u/s 45-IC of Reserve Bank of India Act, 1934	5,850.00	6,885.00
Special Reserve u/s 36(1) (viii) of the Income Tax Act, 1961	6,440.00	9,226.00
Transfer to Debenture Redemption Reserve	8,215.00	3,900.00
Transfer to General Reserve	1,470.00	---
Surplus in the Statement of Profit and Loss	46,660.48	51,792.04

APPROPRIATIONS

The Company proposes to transfer ₹ 5,850 lakhs (Previous year: ₹ 6,885.00 lakhs) to Special Reserve created u/s 45 – IC of Reserve Bank of India Act, 1934; ₹ 6,440 lakhs (Previous year: 9,226.00 lakhs) to Special Reserve created u/s 36 (1)(viii) of the Income Tax Act, 1961; ₹ 8,215 lakhs (Previous year: 3,900.00 lakhs) to Debenture Redemption Reserve; ₹ 1,470 lakhs to General Reserve (Previous year : Nil) and retain ₹ 46,660.48 lakhs (Previous year: 51,792.04 lakhs) in the Statement of Profit and Loss of the Company.

DIVIDEND

During the year under review, the Board of Directors had declared and paid two interim dividends aggregating to 12.75% (₹1.275) per equity share of ₹ 10/- each. The total outgo on account of dividend declaration was ₹ 12,369.55 Lakhs including dividend distribution tax.

The Directors have considered it financially prudent in the long-term interests of the Company to reinvest the

profits into the business of the Company to build a strong reserve base and grow the business of the Company. No final dividend has therefore been recommended for the year ended March 31, 2014.

PERFORMANCE OF THE COMPANY

The business environment for a large part of the year was challenging in terms of corporate defaults due to tight liquidity, rating downgrade of a few corporates in the Infrastructure segment and many companies opting for Corporate Debt Restructuring. The sector was also affected due to delayed approvals resulting in delayed project completions and postponement of investment in greenfield projects leading to dearth of opportunities in project finance.

It the backdrop of such a subdued business scenario and rise in the Non-Performing Assets across the sector in general, your Company has focused on selective opportunities, closely monitored its asset portfolio and followed innovative strategies to work with clients to maintain its margins.

During the year, the Company has assigned a few loan assets to group companies as a part of its strategic initiatives and to focus on infrastructure funding.

The highlights of the Company's performance are given below:-

Gross Assets against grant of financial assistance grew 5.94% from ₹ 1,478,643.08 Lakhs as at March 31, 2013 to ₹ 15,66,509.58 Lakhs as at March 31, 2014.

- Total income grew by 16.89% from ₹ 159,977.81 Lakhs in 2012-13 to ₹ 186,996.02 Lakhs in 2013-14.
- Higher provisions and contingencies on loan assets, caused by economic conditions, and assignment of loan assets have been the main factor behind Profit Before Tax (PBT) moving down from ₹ 46,994.42 Lakhs in 2012-13 to ₹ 39,723.99 Lakhs in 2013-14.
- Consequently, Profit After Tax (PAT) has also dropped from ₹ 34,421.42 Lakhs in 2012-13 to ₹ 29,212.99 Lakhs in 2013-14.

RESOURCES

The growth in your Company's portfolio has led to increased funding requirements and the Company has accessed borrowed funds from different sources for varying tenors.

During the year under review, the Company met its funding requirements mainly through issue of Non-Convertible Debentures (NCDs).

The foregoing raising of resources led to aggregate borrowings as at March 31, 2014 increasing to ₹ 1,395,356.42 Lakhs from 1,251,203.50 Lakhs as at the end of the preceding financial year.

CREDIT RATING

During the year under review, the Company had its issue of debentures rated and re-affirmed at AA+ by Credit Analysis and Research Limited and ICRA Limited.

FIXED DEPOSITS

The Company being a Non Deposit taking Non Banking Financial Company since inception, has not accepted any deposits from the public during the year under review.

DIRECTORS

Mr. Suneet K Maheshwari who had been associated with the Company since inception, has moved to a senior position in the parent company and has therefore

opted to relinquish charge as Managing Director and Chief Executive of the Company effective from March 21, 2014. He would however continue to be a Non-Executive Director of the Company. The Board appreciates the leadership provided by Mr. Maheshwari in the establishment and growth of the Company and places on record his immense contribution to the overall growth of the Company over the years.

Prior to the coming into force of Section 149 of the Companies Act, 2013 (the "Act"), four of the Company's Directors, Mr. M. Damodaran, Mr. B.V. Bhargava, Mr. A.K. Jain and Mr. S.H. Bhojani were categorized as Independent Directors in terms of the definition contained in the Equity Listing Agreement, though the Company did not have its equity shares listed.

The provisions of Section 149(4) of the Act pertaining to the appointment of Independent Directors have been notified by the Ministry of Corporate Affairs with effect from April 1, 2014. Pursuant to the coming into force of Section 149 of the Act from April 1, 2014, the Company has re-assessed the status of its directors with a view to determining their qualifying for classification as Independent Directors in terms of Section 149(6) of the Act. Accordingly, Mr. M Damodaran, Mr. B V Bhargava and Mr. S H Bhojani fulfill the criteria laid out in Section 149(6) of the Act in this regard.

Section 149(10) of the Act restricts the tenure of Independent Director to two terms of up to ten years, with a single term not exceeding five years, which shall be effective from April 1, 2014. Mr. M. Damodaran, Mr. B. V. Bhargava and Mr. S. H. Bhojani retire by rotation at the forthcoming Annual General Meeting (AGM) and they, being eligible, have offered themselves for appointment as Independent Directors of your Company pursuant to the provisions of the Companies Act, 2013 to hold office for a period upto March 31, 2019.

MANAGER

Consequent to Mr. Suneet K. Maheshwari relinquishing charge as Managing Director and Chief Executive of the Company on March 21, 2014, the Company has appointed Mr. G. Krishnamurthy as the Manager and Chief Executive of the Company for a period of 5 years from March 22, 2014.

CORPORATE GOVERNANCE

It has always been the Company's endeavour to excel through better Corporate Governance and fair and transparent practices. The Corporate Governance Report is furnished as Annexure A to this Report.

AUDITORS

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. They have confirmed that their re-appointment, if made, will comply the eligibility criteria in terms of Section 141(3) of the Companies Act, 2013.

The Ministry of Corporate Affairs has on March 26, 2014 notified the provisions of Section 139 of the Companies Act, 2013 ("**the Act**") for appointment of Auditors, which is effective from April 1, 2014. Pursuant to Section 139(2) of the Act and the rules made hereunder, no listed company shall appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Further, the aforesaid appointment is subject to ratification by Members of the Company at every Annual General Meeting ("**AGM**").

The period of ten years (two terms of five years each) has to be calculated from the date of appointment of the auditors. Further, the proviso to Section 139(2) stipulates that every company existing on or before the commencement of the Act has to comply with the requirements of this section within three years from the date of commencement of this Act.

Since M/s. Deloitte Haskins & Sells LLP, has already served as the Statutory Auditors of the Company for a period of eight years, the Audit committee and Board of Directors have recommended the re-appointment of M/s. Deloitte Haskins & Sells LLP as the Statutory Auditors of the Company for a period of two years in accordance with the provisions of Section 139(2) of the Companies Act, 2013, subject to ratification by the member in the AGM of the Company.

PARTICULARS OF EMPLOYEES

Information under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and the rules made thereunder is given in a separate Annexure to this Report and forms part of this report. The same will be furnished to the shareholders on request.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of activities which are being carried on by the Company, Rules 2A and 2B of The Companies (Disclosure of Particulars in the Report of Board of

Directors) Rules, 1988, concerning conservation of energy and technology absorption respectively, are not applicable to the Company.

The information on foreign exchange outgo is furnished in the Notes to the Accounts. There were no foreign exchange earnings during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- 2) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for the year ended on that date;
- 3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) the annual accounts have been prepared on a going concern basis; and
- 5) proper systems are in place to ensure compliance of all laws applicable to the Company.

AUDITORS' REPORT

The Auditors' Report is unqualified. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 217(3) of the Companies Act, 1956.

SUBSIDIARY AND ASSOCIATE COMPANIES

The two wholly owned subsidiaries in the nature of Asset Management Company (AMC) and Trustee Company formed by the Company for operationalising the Domestic Infrastructure Private Equity (PE) Fund sponsored by the Company have started their operations and the PE Fund has achieved its first close on 10th June 2013 with a corpus of ₹ 544 Crore.

The Company holds 48% of the equity capital of its associate company, L&T Infra Debt Fund Limited (L&T IDF), with the balance stake owned by a few fellow

subsidiaries along with the parent company. L&T IDF is an Infrastructure Debt Fund – Non Banking Financial Company (IDF-NBFC) registered* with the Reserve Bank of India (RBI) and is in the business of offering debt refinance solutions to operational infrastructure Public Private Partnership (PPP) projects which have completed at least 1 year of satisfactory operations in sectors like Road, Port, Airport and Urban Infrastructure. The year represents the maiden year of its operations.

**Statutory disclaimer*

“RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for discharge of liabilities by the company.

Neither is there any provision in law to keep, nor does the company keep any part of the deposits with the Reserve Bank and by issuing the Certificate of Registration to the Company, the Reserve Bank neither accepts any responsibility nor guarantees for the payment of the deposit amount to any depositor.”

RESERVE BANK OF INDIA (RBI) GUIDELINES

The Company has complied with all the applicable regulations of the Reserve Bank of India as on March 31, 2014.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation of the dedication and commitment of your Company's employees to the growth of the Company. Their unstinted support has been and continues to be integral to the Company's ongoing success. The Directors wish to thank the Company's clients and business associates for their support towards the growth of the Company. Your Directors also wish to thank the Central and State Governments, Reserve Bank of India and other Regulatory/ Government Authorities, Financial Institutions, Banks, Mutual Funds and Rating Agencies for their support.

For and on behalf of the Board of Directors

Y. M. Deosthalee
Chairman

Suneet Maheshwari
Director

Place: Mumbai
Date: April 22, 2014

Annexure 'A' to Directors' Report

Corporate Governance Report

BOARD OF DIRECTORS

The Board of Directors along with its Committees provides leadership and guidance to your Company's management and directs, supervises and controls the activities of the Company. At present, the Board comprises seven Directors viz. Mr. Y. M. Deosthalee, Mr. N. Sivaraman, Mr. B.V. Bhargava, Mr. A. K. Jain, Mr. M. Damodaran, Mr. S. H. Bhojani and Mr. Suneet K. Maheshwari. Mr. Deosthalee is the Non - Executive Chairman of the Board and also the Chairman & Managing Director of L&T Finance Holdings Limited, the Holding Company, while Mr. Sivaraman is the President & Whole-time Director of the same. Mr. B.V. Bhargava and Mr. A. K. Jain are also on the Board of L&T Finance Holdings Limited, the parent company. Further, Mr. A.K. Jain and Mr. M. Damodaran are also on the Board of Larsen & Toubro Limited (L&T), the parent company of L&T Finance Holdings Limited.

Mr. G. Krishnamurthy is the Manager & Chief Executive of the Company and functions under the superintendence and control of the Board of Directors.

The Board functions either as a full Board or through various Committees constituted to oversee specific areas. The Committees have oversight of operational issues assigned to them by the Board. The eight Committees constituted by the Board in this connection are:

- Audit Committee
- Committee of Directors
- Asset-Liability Management Committee
- Investment and Credit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- Securities Transfer Committee
- Corporate Social Responsibility Committee

The details of various committees of the Company (particulars relevant to the financial year ended on March 31, 2014) are as under:

1) Audit Committee

The Audit Committee has been set up pursuant to Section 292A of the Companies Act, 1956 ('the Act') as well as the RBI's Directions for NBFCs. The Committee currently comprises 3 Directors as per details given below:

Composition of Audit Committee

Mr. M. Damodaran - Chairman
Mr. B. V. Bhargava
Mr. N. Sivaraman

Role of the Committee

The role, terms of reference, authority and powers of the Audit Committee are in conformity with Section 292A of the Companies Act, 1956.

The Audit Committee met 5 times during the year.

2) Committee of Directors

The Committee currently comprises 3 Directors as per details given below.

Composition of Committee of Directors (COD)

Mr. Y. M. Deosthalee
Mr. N. Sivaraman
Mr. Suneet K. Maheshwari

Role of the Committee

The COD has been entrusted with the powers of general management of the affairs of the Company.

The Committee met 35 times during the year.

3) Asset – Liability Management Committee

The Committee is chaired by Mr. Sivaraman. Apart from Mr. Suneet K. Maheshwari and Mr. G. Krishnamurthy, the Committee consists of members holding senior executive positions in various functional areas in Larsen & Toubro Limited, L&T Finance Limited, and other subsidiaries in L&T group's financial services business.

Role of the Committee

- Monitoring market risk management systems, compliance with the asset-liability management policy and prudent gaps and tolerance limits and reporting systems set out by the Board of Directors and ensuring adherence to the RBI Guidelines issued in this behalf from time to time;
- Reviewing the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and agreed risk management objectives in respect of the Company's resources & liabilities;

- Reviewing the effects of various possible changes in the market conditions related to the balance sheet and recommending the action needed to adhere to the Company's internal limits;
- Taking cognizance of product pricing for advances, desired maturity profile and mix of the incremental assets and liabilities, prevailing interest rates offered by other peer NBFCs for similar services/products, etc.;
- Articulating the current interest rate view of the Company and deciding the future business strategy on this view; and
- Reviewing & recommending on the source and mix of liabilities or portfolio sale of loan assets.

The ALCO met 10 times during the year under review.

4) Investment and Credit Committee (ICC)

The Investment & Credit Committee (ICC) of the Company is chaired by Mr. B.V. Bhargava and also comprises Mr. Y.M. Deosthalee, Mr. N. Sivaraman, Mr. Suneet K. Maheshwari, Mr. G. Krishnamurthy, Mr. Hemant Joshi (independent member), Mr. Ramesh Bhujang and Mr. C.S. Damle. The Head of Risk & Asset Management team of the Company functions as its Ex-officio Member-Secretary and Head of Project Finance Group is a Permanent Invitee. The Heads of Debt, Financial Advisory & Equity Businesses as well Treasury are regularly invited as special Invitees.

Role of the Committee

The ICC reviews all credit/investment proposals seeking financial assistance from the Company. The Committee takes decisions in accordance with the Investment and Credit Policy approved by the Board.

The Committee met 17 times during the year under review.

5) Nomination and Remuneration Committee

The Committee currently comprises 4 members as per details given below.

Composition of Nomination and Remuneration Committee

Mr. B. V. Bhargava, Chairman

Mr. Y. M. Deosthalee

Mr. S. H. Bhojani

Head – HR, L&T Financial Services - Secretary

Role of the Committee

- To ensure 'fit and proper' status of existing/ proposed Directors by obtaining necessary information and declaration from them and undertake a process of due diligence to determine the suitability of the person(s) for appointment / continuing to hold appointment as a Director on the Board, based upon qualification, expertise, track record, integrity and other relevant factors.
- To obtain annual declaration confirming that the information already provided had not undergone change and if there is any change, requisite details would be furnished by the Directors forthwith.
- To focus on evaluating senior level employees, their remuneration, promotions etc.

The Committee met once during the year under review.

6) Risk Management Committee

The Committee currently comprises 4 members as per details given below.

Composition of Risk Management Committee

Mr. S. H. Bhojani – Chairman

Mr. N. Sivaraman

Mr. R. Govindan

Mr. Ramesh M. Bhujang

Role of the Committee

The Risk Management Committee reviews inter alia the integrated risk which includes liquidity risk, interest rate risk and currency risk, and suggests remedial actions as required. The Committee is chaired by an Independent Director and consists of 3 other members.

The Committee met thrice during the year under review.

7) Securities Transfer Committee

The Securities Transfer Committee of the Company

consists of 3 senior executives i.e. Mr. Ramesh Bhujang, Mr. N. Suryanarayanan and Mr. G. K. Shettigar.

Role of the Committee

The Securities Transfer Committee approves requests pertaining to Issuance of Physical Certificates on account of Rematerialization and Duplicate Bond Certificates.

The Committee met 46 times during the year under review.

8) Corporate Social Responsibility Committee (CSR Committee)

The Corporate Social Responsibility Committee has been set up pursuant to Section 135 of the Companies Act, 2013. As at March 31, 2014, the Committee comprised 3 Directors as per details given below:

Composition of CSR Committee

Mr. Y. M. Deosthalee

Mr. N. Sivaraman

Mr. A. K. Jain

Separation of Offices of Chairman and Chief Executive

The roles and offices of the Chairman and Chief Executive are separated. Mr. Y. M. Deosthalee is Non-Executive Chairman of the Board whereas Mr. G. Krishnamurthy is the Manager & Chief Executive of the Company.

Remuneration of Directors

The Directors on the Board who are in the services of L&T Finance Holdings Limited draw remuneration from L&T Finance Holdings Limited. The Managing Director was paid remuneration as per the terms of his contract with the Company. All other Directors on the Board are paid sitting fees for attending the meetings of the Board and/or any committee thereof and commission on net profits.

Independent Directors

Mr. Y. M. Deosthalee, Mr. N. Sivaraman and Mr. Suneet K. Maheshwari are associated with the Holding Company, L&T Finance Holdings Limited and play a strategic and supervisory role over the Company. Mr. B.V. Bhargava, Mr. A.K. Jain, Mr. M.

Damodaran and Mr. S.H. Bhojani were Independent Directors during the year ended March 31, 2014.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, which came into force on April 1, 2014, B. V. Bhargava, Mr. M. Damodaran and Mr. S. H. Bhojani meet the criteria for independence laid out in Section 149(6) of the Act.

Number of Companies in which an Individual may become a Director

The Company has apprised its Board members about the restriction on number of other directorships and expects them to comply with the same.

Responsibilities of the Board

Presentations to the Board in areas such as business prospects, budgets, business strategy & operations, asset quality, and financial results, etc. give the Directors, an opportunity, in addition to the Manager & Chief Executive, to interact with senior managers and other functional heads. Directors are also updated about their respective roles and responsibilities.

The Company ensures provision of necessary perspective to the Directors relating to its business through formal/informal interactions. Systems, procedures and resources are available to ensure that every Director is supplied, in a timely manner, with all relevant information in a form and of a quality appropriate to effectively enable/discharge his duties. The Directors are given time to study the information and contribute effectively to Board discussions.

The Non-Executive Directors through their interactions and deliberations give suggestions for improving overall effectiveness of the Board and its Committees. Their inputs are also utilized to determine the critical attributes required of prospective candidates for election to the Board.

The systems of risk assessment and compliance with statutory requirements are in place.

Internal Auditors

The Internal Audit Department of L&T Finance Limited provides Internal Audit services to the Company.

Internal Control

The Board ensures the effectiveness of the Company's system of internal controls including financial, operational and compliance controls and risk management systems.

Secretarial Audit

The Secretarial Audit is conducted annually by the Corporate Secretarial department of Larsen & Toubro Limited, which has competent professionals to carry out the said audit.

Disclosures

During the financial year ended March 31, 2014:

- There was no materially significant related party transaction with the Directors that had a potential conflict with the interests of the Company.
- The related party transactions have been disclosed in the Notes to Accounts forming part of the Annual Financial Statements.
- Though not applicable, the Company generally ensures adherence to the various mandatory and non-mandatory requirements of Corporate Governance norms as prescribed by Clause 49 of the Listing Agreement.
- During the year, the Companies Act, 2013

had received President's assent on August 29, 2013. Thereafter, the Ministry of Corporate Affairs, Government of India ("MCA") has progressively notified various sections starting from the date, September 12, 2013, some of sections having effect during the year. Till date, MCA have notified several sections and the Company is geared up to implement all of them.

Means of Communication

- Half Yearly Results are published in one daily English newspaper of national prominence.
- The investors (Debenture Holders) are also communicated the "Half Yearly Communication" as per the Debt Listing Agreement.
- Annual Reports, official news releases and presentations are displayed on the website of the Company <http://www.ltinfra.com>

For and on behalf of the Board of Directors

Y. M Deosthalee
Chairman

Suneet Maheshwari
Director

Place: Mumbai
Date: April 22, 2014

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

L&T INFRASTRUCTURE FINANCE COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of L&T INFRASTRUCTURE FINANCE COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal

control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

Independent Auditors' Report

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account .
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
- (e) On the basis of the written representations received from the directors as on 31' March,

2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm Registration No. 117366
W/W-100018)

Kalpesh J. Mehta
(Partner)

(Membership No. 48791)
Mumbai, 22nd April, 2014

Annexure to the Auditors' Report

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirement of even date)

- (i) Having regard to the nature of the Company's business/ activities during the year, clauses (viii), (xiii), (xiv) and (xx) of paragraph of 4 of CARO are not applicable.
- (ii) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the period by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In our opinion and according to the information and explanations given to us the Company does not hold inventory.
- (iv) The Company has neither granted nor taken loans, secured or unsecured, to or from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for sale of services. The nature of the Company's business is such that it does not involve any sale of goods or purchase of inventory. Further, during the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) To the best of our knowledge and belief and according to the information and explanations given to us, there have been no contracts or arrangements during the period that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposits from the public under the provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- (viii) In our opinion, the Company generally has an adequate internal audit system commensurate with the size and nature of its business.
- (ix) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Cess and any other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there were no sum payables during the period on account of Employees State Insurance, Investor Education and Protection Fund, Sales Tax, Wealth Tax, Custom Duty, Excise Duty and corresponding Cess.
- (b) There were no undisputed amounts payable in respect of Income Tax, Service Tax and Cess and other material dues in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty and Cess which have not been deposited on account of any dispute as on 31st March, 2014 is given below as applicable:
- | Statute | Nature of Dues | Forum where Dispute is pending | Period to which the amount relates | Amount involved (₹ in lakh) |
|--------------------------|----------------|--------------------------------|------------------------------------|-----------------------------|
| The Income Tax Act, 1961 | Income Tax | Commissioner of Income Tax | AY 2011-12 | 1,300.10 |
- (x) The Company does not have any accumulated losses as at the year end. The Company has not

Annexure to the Auditors' Report

incurred cash losses during the financial year covered by our audit and in immediately preceding financial year.

- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (xii) In our opinion and according to the information and explanation given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
- (xiii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are *prima facie*, not prejudicial to the interests of the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
- (xv) According to the information and explanations given to us and on the basis of the maturity profile of assets and liabilities with a maturity period of one year, as given in the Asset

Liability Management Report, we report that funds raised on short-term basis have not been used during the year for long- term investment.

- (xvi) According to the information and explanations given to us, during the year, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act.
- (xvii) According to the information and explanations given to us, and the records examined by us, securities / charges have been created in respect of all debentures issued during the year..
- (xviii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the period.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm Registration No. 117366
W/W-100018)

Kalpesh J. Mehta
(Partner)

(Membership No. 48791)
Mumbai, 22nd April, 2014

Balance Sheet as at March 31, 2014

(₹ in Lakh)

	Note no.	As at 31-03-2014	As at 31-03-2013
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share capital	2	82,923.30	82,923.30
Reserves and surplus	3	163,952.86	147,355.67
		246,876.16	230,278.97
2. Non - current liabilities			
Long - term borrowings	4	1,159,005.42	1,074,629.92
Other long - term liabilities	5	30,738.49	20,764.63
Long - term provisions	6	14,665.20	9,060.64
		1,204,409.11	1,104,455.19
3. Current liabilities			
Short - term borrowings	7	2,200.00	67,238.58
Trade payables	8	260.78	272.51
Other current liabilities	9	255,977.77	125,563.73
Short - term provisions	10	853.35	1,205.26
		259,291.90	194,280.08
Total equity and liabilities		1,710,577.17	1,529,014.24
B. ASSETS			
1. Non - current assets			
Fixed assets			
Tangible assets	11	204.41	150.72
Intangible assets (software)		176.31	276.82
Intangible assets under development		-	-
		380.72	427.54
Non - current investments	12	101,559.74	53,059.15
Deferred tax assets (net)	4(i)	7,406.00	4,974.00
Long - term loans towards financing activities	13	1,309,913.54	1,230,495.42
Long - term loans and advances	14	15,311.57	9,791.44
Other non - current assets	15	6,018.41	1,869.11
		1,440,209.26	1,300,189.12
2. Current assets			
Current investments	16	86,329.82	23,999.05
Trade receivables	17	1,324.86	1,341.58
Cash and cash equivalents	18	1,544.48	1,138.18
Current maturities of long - term loans towards financing activities	19	168,159.94	185,065.80
Short-term loans and advances	20	3,404.23	2,940.91
Other current assets	21	9,223.86	13,912.06
		269,987.19	228,397.58
Total assets		1,710,577.17	1,529,014.24
See accompanying notes forming part of the financial statements			

In terms of our report attached.

For and on behalf of the board

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Y. M. Deosthalee
Chairman

N. Sivaraman
Director

Kalpesh J. Mehta
Partner

Suneet K. Maheshwari
Director

G. Krishnamurthy
Manager & Chief Executive

Place : Mumbai
Date : April 22, 2014

Place : Mumbai
Date : April 22, 2014

Statement of Profit and Loss for the year ended March 31, 2014

(₹ in Lakh)

	Note no.	Year ended 31-03-2014	Year ended 31-03-2013
INCOME:			
1	22	179,480.41	159,149.80
2	23	7,515.61	828.01
3		186,996.02	159,977.81
EXPENSES:			
	24	3,298.65	2,778.89
	25	123,375.41	97,837.78
		186.53	176.42
	26	5,986.91	4,750.96
	27	14,424.53	7,439.34
4		147,272.03	112,983.39
5		39,723.99	46,994.42
6 Tax expenses:			
		12,943.00	15,300.00
		(2,432.00)	(2,727.00)
		10,511.00	12,573.00
7		29,212.99	34,421.42
	1(4)		
		3.52	4.28
		3.52	4.28
		10.00	10.00
See accompanying notes forming part of the financial statements 1 to 42			

In terms of our report attached.

For and on behalf of the board

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Y. M. Deosthalee
Chairman

N. Sivaraman
Director

Kalpesh J. Mehta
Partner

Suneet K. Maheshwari
Director

G. Krishnamurthy
Manager & Chief Executive

Place : Mumbai
Date : April 22, 2014

Place : Mumbai
Date : April 22, 2014

Cash Flow Statement for the year ended March 31, 2014

(₹ in Lakh)

	Year ended 31-03-2014	Year ended 31-03-2013
Cash flow from operating activities:		
Profit Before Taxation	39,723.99	46,994.42
Adjustment for:		
Depreciation / Amortisation	186.53	176.42
Provision for compensated absences	24.35	48.99
Provision for gratuity	5.13	42.86
Loss of tangible assets	0.10	0.08
Gain on sale of Investments	(6,008.04)	-
Provision on Investments	1,008.34	199.98
Provision on standard assets	1,822.16	2,401.47
Provision on restructured assets	3,838.21	3,060.34
Provision on interest receivable (FITL)	5,086.76	-
Bad debts written off	1,644.87	570.99
Provision on Non-Performing Assets	6,110.95	1,206.56
Operating profit before working capital changes:	53,443.35	54,702.11
Adjustment for:		
Increase/(decrease) in liabilities and provisions	15,559.98	12,365.14
Decrease/(Increase) in loans and advances	2,084.38	(2,151.28)
Decrease/(Increase) in other assets	538.92	(6,037.36)
Decrease/(Increase) in trade receivables	16.72	(1,289.42)
Sale of Preference shares	2,098.26	-
Redemption of Preference shares	3,878.57	-
Decrease/(Increase) in loans towards financing activities	(78,308.86)	(371,244.19)
Cash generated from/(used in) operations	(688.68)	(313,655.00)
Direct taxes paid	(17,224.51)	(15,925.29)
Net cash flow from/(used in) operating activities (A)	(17,913.19)	(329,580.29)
Cash flows from investing activities:		
Purchase of fixed assets including intangible assets (Net of corresponding liabilities)	(139.76)	(159.66)
Proceeds from sale of fixed assets	0.09	0.05
Proceeds from investment in fixed deposits (maturity greater than 3 months upto 12 months)	-	5.00
Purchase of current investments	(4,974,496.67)	(277,471.52)
Redemption of current investments	4,915,550.06	257,044.37
Proceeds from sale of non-current investments	7,296.01	-
Investment in equity shares of subsidiaries / associates	(14,700.00)	(508.00)
Investment in equity shares of other Co's	(8.24)	(7,300.69)
Investment in units of funds	(10,539.69)	(200.00)
Investment in security receipts	(10,614.35)	-
Investment in debentures	(21,455.92)	(6,065.73)
Net cash from / (used in) investing activities (B)	(109,108.47)	(34,656.18)

Cash Flow Statement for the year ended March 31, 2014

(₹ in Lakh)

	Year ended 31-03-2014	Year ended 31-03-2013
Cash flows from financing activities:		
Proceeds from issue of share capital (including share premium)	(492.51)	14,999.85
Proceeds from long-term borrowings	463,300.35	1,292,493.00
Repayment of long-term borrowings	(257,768.35)	(986,051.52)
(Repayments)/Proceeds from short-term borrowings	(65,038.58)	46,066.02
Debenture issue expenses	119.45	(336.98)
Dividend distribution tax	(2,119.69)	(441.26)
Dividend paid on equity shares	(10,572.72)	(1,990.16)
Net cash generated from / (used in) financing activities (C)	127,427.95	364,738.95
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	406.29	502.48
Cash and cash equivalents as at beginning of the year	1,138.18	635.70
Cash and cash equivalents as at end of the year (refer note below)	1,544.47	1,138.18
Net (Decrease)/Increase in cash and cash equivalents	406.29	502.48
Foot notes:		
1. Cash and cash equivalent as per AS - 3		
Cash and bank balance as at end of the year*	1,544.48	1,138.18
Less: Term deposits with original maturity greater than 3 months	-	-
Cash and cash equivalents as at end of the year	1,544.48	1,138.18

* includes balance in earmarked accounts ₹ 887.86 lakhs (previous year ₹ 1,135.84 lakhs).

2. Non cash items

Net cash used in investing activities excludes investment aggregating ₹ 2,839.69 lakhs (previous year ₹ 471.88 Lakhs) acquired against claims.

In terms of our report attached.

For and on behalf of the board

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Y. M. Deosthalee
Chairman

N. Sivaraman
Director

Kalpesh J. Mehta
Partner

Suneet K. Maheshwari
Director

G. Krishnamurthy
Manager & Chief Executive

Place : Mumbai
Date : April 22, 2014

Place : Mumbai
Date : April 22, 2014

Notes forming part of Financial Statements - March 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions thereof along with the applicable guidelines issued by Reserve Bank of India ("RBI").

B. Use of Estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any change in such estimates is recognised prospectively.

C. Tangible and Intangible Fixed Assets

Tangible fixed assets are stated at cost of acquisition including any cost attributable for bringing the asset to its working condition, less accumulated depreciation.

Intangible fixed assets comprising of software licenses are stated at cost of acquisition including any cost attributable for bringing the asset to its working condition, less accumulated amortisation. Any expenses on such software licenses for support and maintenance payable annually are charged to the statement of Profit and Loss.

D. Investments

The Company being regulated as a Non-Banking Financial Company (NBFC) by the RBI, investments are classified under two categories i.e. Current and Long Term and are valued in accordance with the RBI guidelines and the Accounting Standard (AS) 13 on 'Accounting for Investments'.

'Long Term Investments' are carried at acquisition / amortised cost. A provision is made for diminution other than temporary on an individual investment basis.

'Current Investments' are carried at the lower of cost and fair value on an individual investment basis.

E. Advances

Advances are classified under four categories i.e. (i) Standard Assets, (ii) Sub-standard Assets, (iii) Doubtful Assets and (iv) Loss Assets in accordance with the RBI Guidelines.

In respect of Loans and Debentures / Bonds in the nature of an advance, where interest is not serviced, provision for diminution is made as per the parameter applicable to Non-Performing Advances.

Provision on restructured advances / corporate debt restructure advances is made in accordance with the guidelines issued by the RBI.

Provision on Standard Assets is made as per the provisioning policy of the Company subject to minimum as stipulated in RBI Guidelines or where additional specific risks are identified by the management, based on such identification.

F. Foreign Currency Transactions, Forward Contracts and Derivatives

Foreign currency transactions are accounted at the exchange rates prevailing on the date of each transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are reported using the closing rate. Gains and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of Profit and Loss.

The Company has exercised the option granted under notification F.No.17/33/2008/CL-V dated March 31, 2009, issued by the Ministry of Corporate Affairs and subsequent Notification No G.S.R.913(E) (F.No. 17/133/2008-CL.V) dated December 29, 2011 and is accordingly, amortising the foreign currency translation differences on long term foreign currency monetary items over the shorter of their maturity period and the balance period upto March 31, 2020. The unamortised balance as at the period end is presented as "Foreign Currency Monetary Item Translation Difference Account" on the assets side of the Balance Sheet.

Premium in respect of forward contracts is charged to statement of Profit and Loss over the period of the contract. Forward contracts outstanding as at the Balance Sheet date are revalued at the closing rate.

G. Derivative contracts

Currency interest rate swaps

Currency interest rate swaps in the nature of hedge, booked with the objective of managing the currency and interest rate risk on foreign currency liabilities are recorded on accrual basis and these transactions are not marked to market. The foreign currency

Notes forming part of Financial Statements - March 31, 2014

balances on account of principal of currency interest rate swaps outstanding as at the Balance Sheet date are revalued using the closing rate.

H. Revenue Recognition

- (a) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.
- (b) Interest from interest-bearing assets is recognised on an accrual basis over the life of the asset based on the constant effective yield. The effective interest is determined on the basis of the terms of the cash flows under the contract including related fees, premiums, discounts or debt issuance costs, if any. Interest and other dues in the case of non-performing loans is recognised upon realisation, as per the income recognition and asset classification norms prescribed by the RBI.
- (c) Revenues from the various services that the Company renders are recognised when the following criteria are met: persuasive evidence of an arrangement exists, the services have been rendered, the fee or commission is fixed or determinable, and collectability is reasonably assured.
- (d) Dividend is accounted when the right to its receipt is established.
- (e) Guarantee fees is recognised on pro-rata basis over the period of the guarantee.

I. Employee Benefits

Defined-Contribution Plans

The Company offers its employees defined contribution plans in the form of provident fund and family pension fund. Provident fund and family pension funds cover substantially all regular employees. Contributions are paid during the year into separate funds under certain statutory / fiduciary-type arrangements. Both the employees and the Company pay predetermined contributions into provident fund and family pension fund. The contributions are normally based on a certain proportion of the employee's salary.

Defined-Benefits Plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees. The gratuity

scheme is not funded. Commitments are actuarially determined at year-end. On adoption of the revised Accounting Standard (AS) 15 on "Employee Benefits", actuarial valuation is based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to statement of Profit and Loss.

Other Employee Benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in the 12 months immediately following the period / year end are reported as expense during the year in which the employees perform services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit after deducting amounts already paid.

Where there are restrictions on availment / encashment of such benefits or where the availment is otherwise not expected to wholly occur in the next 12 months, the liability on account of the benefits is actuarially determined using the Projected Unit Credit method.

J. Depreciation and Amortisation

- Tangible Assets

Depreciation on fixed assets is provided using the straight line method, at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation on additions during the year is provided on a pro-rata basis. Assets costing less than ₹ 5,000 each are written off in the year of capitalisation.

- Intangible Assets

Computer software are amortised over the estimated useful life not exceeding 3 years.

K. Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Interest cost in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

L. Impairment of assets

Tangible fixed assets and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of the asset's net selling price or its value in use.

Notes forming part of Financial Statements - March 31, 2014

M. Operating Leases

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of Profit and Loss, on a straight line basis, over the lease term.

N. Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the year as determined in accordance with the provision of Income Tax Act, 1961.

Deferred tax is recognised on timing differences, between taxable income and accounting income that originated in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are recognised with regard to all deductible timing differences to the extent it is probable that taxable profit will be available against which deductible timing differences can be utilised. When the Company carries forward unused tax losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient taxable profit will be available to allow all or a part of the deferred tax asset to be utilised.

O. Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent assets are not recognised.

P. Cash Flow Statement

The Cash Flow Statement is prepared in accordance with indirect method as explained in the Accounting Standard on Cash Flow Statements (AS) 3 issued by the Institute of Chartered Accountants of India.

Q. Cash and Cash Equivalents

Cash and Bank Balances that have insignificant risk of change in value including term deposits, which

have original durations up to three months, are included in cash and cash equivalents in the Cash Flow Statement.

R. Employee Stock Option Plan

The Employees Stock Options Scheme ("the Scheme") has established by the holding company (i.e. L&T Finance Holdings Limited). The Scheme provides that employees are granted an option to subscribe to equity share of the company that vest in a graded manner. The options may be exercised within specified period. Measurement and disclosure of Employee Share-based Payment Plan is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The company follows the intrinsic value method to account for its stock based employee compensation plans. Stock options were granted to the employees of the Company during the financial year 2010-11, 2011-12, 2012-13 and 2013-14. The cost incurred by the holding company, in respect of options granted to employees of the Company are being charged to the statement of profit and loss during the period and recovered by the holding Company.

S. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

T. Earnings per share

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20 – Earnings per share.

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

U. Share Issue Expenses

Share issue expense is charged to the statement of Profit & Loss in the year in which it is incurred.

V. Debenture Issue Expenses

Expenses incurred on issue of debentures are charged-off against the securities premium account in accordance with the provisions of section 78 of the Companies Act, 1956.

Notes forming part of Financial Statements - March 31, 2014

2 Share capital

	As at 31-03-2014		As at 31-03-2013	
	Number	₹ in lakhs	Number	₹ in lakhs
Authorised				
Equity shares of ₹ 10 each	2,000,000,000	200,000.00	2,000,000,000	200,000.00
Issued, Subscribed & Paid up shares				
Equity shares of ₹ 10 each	829,233,000	82,923.30	829,233,000	82,923.30
Total Issued, Subscribed & Paid up shares capital	829,233,000	82,923.30	829,233,000	82,923.30

(I) Reconciliation of the shares and amount outstanding at the beginning and at the end of the reporting year	As at 31-03-2014		As at 31-03-2013	
	Number	₹ in lakhs	Number	₹ in lakhs
Shares outstanding at the beginning of the year	829,233,000	82,923.30	795,900,000	79,590.00
Shares issued during the year	-	-	33,333,000	3,333.30
Shares outstanding at the end of the year	829,233,000	82,923.30	829,233,000	82,923.30

(II) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Members of the Company holding equity shares capital therein have a right to vote, on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid up equity capital of the Company held by the shareholders. The Company declares dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year, the Company has declared and paid interim dividend of ₹ 0.60 and ₹ 0.675 per equity share in September 2013 and December 2013 respectively. (March 31, 2013 : ₹ 0.24 per equity share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(III) Equity shares in the Company held by the holding company	As at 31-03-2014		As at 31-03-2013	
	Number	₹ in lakhs	Number	₹ in lakhs
Equity Shares of ₹ 10 each fully paid held by L&T Finance Holdings Limited (Holding company) directly or through its beneficially nominees.	829,233,000	82,923.30	829,233,000	82,923.30

(IV) Details of shareholders holding more than 5% shares in the Company	As at 31-03-2014		As at 31-03-2013	
	Number	% holding	Number	% holding
Equity Shares of ₹ 10 each fully paid held by L&T Finance Holdings Limited (Holding company) directly or through its beneficially nominees.	829,233,000	100%	829,233,000	100%

Notes forming part of Financial Statements - March 31, 2014

3 Reserves & surplus		(₹ in Lakh)	
	As at 31-03-2014	As at 31-03-2013	
(I) Securities Premium Account			
As per last Balance sheet	48,183.93	36,745.03	
Add : Addition during the year	-	11,666.55	
Less : Debenture issue expenses adjusted during the year (Net of tax ₹ 126.80 lakhs, previous year ₹ 109.33 lakhs) (refer note 40)	246.25	227.65	
Closing balance	47,937.68	48,183.93	
(II) Debenture Redemption Reserve			
As per last Balance sheet	12,500.00	8,600.00	
Add : Transferred from surplus in the Statement of Profit and Loss	8,215.00	3,900.00	
Closing balance	20,715.00	12,500.00	
(III) Reserve u/s 45-IC of Reserve Bank of India Act, 1934			
As per last Balance sheet	20,967.70	14,082.70	
Add : Transferred from surplus in the Statement of Profit and Loss	5,850.00	6,885.00	
Closing balance	26,817.70	20,967.70	
(IV) Reserve u/s 36(1)(viii) of Income tax Act, 1961			
As per last Balance sheet	13,912.00	4,686.00	
Add : Transferred from surplus in the Statement of Profit and Loss	6,440.00	9,226.00	
Closing balance	20,352.00	13,912.00	
(V) General reserves			
As per last Balance sheet	-	-	
Add : Transferred from surplus in the Statement of Profit and Loss	1,470.00	-	
Closing balance	1,470.00	-	
(VI) Surplus in the Statement of Profit and Loss			
As per last Balance sheet	51,792.04	39,694.63	
Less : Transfer to reserve u/s 36(1)(viii) of Income tax Act, 1961 for financial year 2011-12	-	1,630.00	
Balance available	51,792.04	38,064.63	
Add : Profit for the year	29,212.99	34,421.42	
Less : Transfer to reserve u/s. 45-IC of Reserve Bank of India Act, 1934	5,850.00	6,885.00	
Less : Transfer to reserve u/s 36(1)(viii) of Income tax Act, 1961	6,440.00	7,596.00	
Less : Transfer to general reserves	1,470.00	-	
Less : Interim Dividend	10,572.72	1,990.16	
Less : Interim Dividend Distribution Tax	1,796.83	322.85	
Less : Transfer to debenture redemption reserve	8,215.00	3,900.00	
Closing balance	46,660.48	51,792.04	
Total reserves and surplus	163,952.86	147,355.67	

Notes forming part of Financial Statements - March 31, 2014

4 Long-term borrowings

(₹ in Lakh)

	Non current portion		Current maturities	
	As at 31-03-2014	As at 31-03-2013	As at 31-03-2014	As at 31-03-2013
(I) Secured				
Redeemable non convertible debentures (refer note 4a)	436,946.67	373,946.67	57,500.00	34,500.00
Term Loans (refer note 4b)				
External Commercial Borrowings	26,961.75	35,285.25	11,983.00	-
From banks	569,997.00	545,498.00	164,668.00	74,835.00
Total (I)	1,033,905.42	954,729.92	234,151.00	109,335.00
(II) Unsecured				
Redeemable non convertible debentures (refer note 4a)	35,000.00	20,000.00	-	-
Term Loans (refer note 4b)				
From banks	90,100.00	99,900.00	-	-
Total (II)	125,100.00	119,900.00	-	-
Total (III) = (I)+(II)	1,159,005.42	1,074,629.92	234,151.00	109,335.00
Less: Amount disclosed under the head "other current liabilities" (refer note 9)	-	-	234,151.00	109,335.00
Total long-term borrowings	1,159,005.42	1,074,629.92	-	-

Notes forming part of Financial Statements - March 31, 2014

4a

As at 31-03-2014

A) Secured, Redeemable, Non Convertible Debentures (privately placed)

Series	Face Value per debenture (₹ in lakh)	Date of allotment	Balance as at 31.03.2014 (₹ in lakh)	Current Maturities (₹ in lakhs)	Non Current Portion (₹ in lakh)	Interest Rate (%)	Date of redemption	Redeemable term
Series "C" of 2010-11	10.00	16-Apr-10	7,500.00	7,500.00	-	8.91% p.a.	16-Apr-14	At the end of 4 years from the date of allotment
Series "C" of 2012-13	10.00	30-Nov-12	25,000.00	25,000.00	-	9.1282% p.a.	28-Nov-14	2 years from deemed date of allotment, call option exercised 17 months from deemed date of allotment
Series "P" of 2013-14 - OPT I	25.00	14-Mar-14	2,500.00	-	2,500.00	9.976% p.a.	2-Apr-15	Bullet payment on redemption date i.e., 02.04.15
Series "P" of 2013-14 - OPT IV	25.00	14-Mar-14	30,000.00	-	30,000.00	9.99% p.a.	6-Apr-15	Bullet payment on redemption date i.e., 06.04.15 and Call Option date is 16.06.14 which ever is earlier
Series "P" of 2013-14 - OPT II	25.00	14-Mar-14	1,600.00	-	1,600.00	9.9706% p.a.	7-Apr-15	Bullet payment on redemption date i.e., 07.04.15
Series "P" of 2013-14 - OPT III	25.00	14-Mar-14	2,000.00	-	2,000.00	9.9695% p.a.	8-Apr-15	Bullet payment on redemption date i.e., 08.04.15
Series "D" of 2010-11	10.00	16-Apr-10	7,500.00	-	7,500.00	8.91% p.a.	16-Apr-15	At the end of 5 years from the date of allotment
Series "P" of 2013-14 - OPT V	25.00	14-Mar-14	5,000.00	-	5,000.00	9.9616% p.a.	16-Apr-15	Bullet payment on redemption date i.e., 16.04.15
Series "A" of 2013-14	10.00	2-May-13	12,500.00	-	12,500.00	8.95% p.a.	4-May-15	Bullet payment on redemption date i.e., 04.05.15
Series "B" of 2013-14	10.00	15-May-13	25,000.00	-	25,000.00	8.95% p.a.	15-Jun-15	Bullet payment on redemption date i.e., 15.06.15
Series "N" of 2013-14	25.00	28-Feb-14	15,000.00	-	15,000.00	9.99% p.a.	31-Aug-15	Bullet payment on redemption date i.e., 31.08.15
Series "E" of 2010-11	10.00	16-Apr-10	7,500.00	-	7,500.00	8.91% p.a.	16-Apr-16	At the end of 6 years from the date of allotment
Series "G" of 2013-14	25.00	9-Dec-13	4,300.00	-	4,300.00	9.9% p.a.	9-Dec-16	Bullet payment on redemption date i.e., 09.12.16
Series "H" of 2013-14 - OPT I	25.00	16-Jan-14	1,500.00	-	1,500.00	9.8% p.a.	16-Jan-17	Bullet payment on redemption date i.e., 16.01.17
Series "F" of 2010-11	10.00	16-Apr-10	7,500.00	-	7,500.00	8.91% p.a.	15-Apr-17	At the end of 7 years from the date of allotment
Series "E" of 2013-14	100.00	10-Jul-13	20,000.00	-	20,000.00	9.85% p.a.	10-Jul-17	Bullet payment on redemption date i.e., 10.07.17
Series "B" of 2012-13	10.00	11-Sep-12	25,000.00	25,000.00	-	9.35% p.a.	11-Sep-17	At the end of 5 years from the date of allotment, Put call option 2 years from date allotment
Series "G" of 2010-11	10.00	16-Apr-10	7,500.00	-	7,500.00	8.91% p.a.	16-Apr-18	At the end of 8 years from the date of allotment
Series "D" of 2013-14	10.00	30-May-13	5,000.00	-	5,000.00	8.35% p.a.	30-May-18	Bullet payment on redemption date i.e., 30.05.18
Series "F" of 2013-14	25.00	12-Nov-13	5,100.00	-	5,100.00	9.7% p.a.	12-Nov-18	Bullet payment on redemption date i.e., 12.11.18
Series "H" of 2013-14 - OPT II	25.00	16-Jan-14	5,000.00	-	5,000.00	9.8% p.a.	16-Jan-19	Bullet payment on redemption date i.e., 16.01.19
Series "E" of 2012-13	10.00	9-Jan-13	45,000.00	-	45,000.00	9.0% p.a.	11-Jan-23	10 years from Deemed date of Allotment, redemption date is 11th Jan 23
Series "C" of 2013-14	10.00	29-May-13	11,000.00	-	11,000.00	8.35% p.a.	29-May-23	Bullet payment on redemption date i.e., 29.05.23
Series "A" of 2011-12	10.00	18-Oct-11	50,000.00	-	50,000.00	9.70% p.a.	18-Oct-28	At the end of 17 years from the date of allotment, Put call option at the end of 10 years
Total (A)			328,000.00	57,500.00	270,500.00			

Notes forming part of Financial Statements - March 31, 2014

B) Long Term Infrastructure Bonds - Secured, Redeemable, Non Convertible Debentures (public issue)

Series	Face Value per debenture (₹ in lakh)	Date of allotment	Balance as at 31.03.14 (₹ in lakh)	Current Maturities (₹ in lakh)	Non Current Portion (₹ in lakh)	Interest Rate (%)	Redeemable term
Series 2010A – 1	0.01	2-Dec-10	1,908.20	-	1,908.20	7.75% p.a. payable annually	At the end of 10 years from the date of allotment. Buyback option available to the investors at the end of 7 years from the date of allotment.
Series 2010A – 2	0.01	2-Dec-10	4,717.17	-	4,717.17	7.75% p.a. compounded annually payable at maturity	
Series 2010A – 3	0.01	2-Dec-10	6,289.78	-	6,289.78	7.50% p.a. payable annually	At the end of 10 years from the date of allotment. Buyback option available to the investors at the end of 5 years from the date of allotment.
Series 2010A – 4	0.01	2-Dec-10	12,706.40	-	12,706.40	7.50% p.a. compounded annually payable at maturity	
Series 2011A – 1	0.01	23-Mar-11	9,069.27	-	9,069.27	8.20% p.a. payable annually	At the end of 10 years from the date of allotment. Buyback option available to the investors at the end of 5 years and 7 years from the date of allotment.
Series 2011A – 2	0.01	23-Mar-11	30,930.73	-	30,930.73	8.30% p.a. compounded annually payable at maturity	
Series 2011 B - 1	0.01	10-Jan-12	15,184.82	-	15,184.82	9 % p.a. payable annually	
Series 2011 B - 2	0.01	10-Jan-12	37,755.81	-	37,755.81	9 % p.a., compounded annually payable at maturity	
Series 2012 A - 1	0.01	24-Mar-12	12,129.31	-	12,129.31	8.70 % p.a. payable annually	
Series 2012 A - 2	0.01	24-Mar-12	35,755.18	-	35,755.18	8.70 % p.a. compounded annually payable at maturity	
Total (B)			166,446.67	-	166,446.67		
Total Redeemable non convertible debentures (secured) (A+B)			494,446.67	57,500.00	436,946.67		

The debentures covered in (A) and (B) above are secured by mortgage of an immovable property created under the terms of it's operating lease arrangement and hypothecation of specific receivables.

Notes forming part of Financial Statements - March 31, 2014

C) Unsecured, Redeemable, Non Convertible Debentures (privately placed)

Series	Face Value per debenture (₹ in lakh)	Date of allotment	Balance as at 31.03.14 (₹ in lakh)	Current Maturities (₹ in lakh)	Non Current Portion (₹ in lakh)	Interest Rate (%)	Date of redemption	Redeemable term
Series "A" 2012-13	100.00	30-Apr-12	20,000.00	-	20,000.00	9.90%	29-Apr-22	Bullet payment on redemption date i.e., 29.04.22
Series "I" 2013-14	100.00	29-Jan-14	5,000.00	-	5,000.00	10.35%	29-Jan-24	Bullet payment on redemption date i.e., 29.01.24
Series "J" 2013-14	100.00	31-Jan-14	2,500.00	-	2,500.00	9.73%	31-Jan-24	Bullet payment on redemption date i.e., 31.01.24
Series "K" 2013-14	100.00	10-Feb-14	2,000.00	-	2,000.00	9.73%	9-Feb-24	Bullet payment on redemption date i.e., 09.02.24
Series "L" 2013-14	100.00	18-Feb-14	2,000.00	-	2,000.00	9.73%	16-Feb-24	Bullet payment on redemption date i.e., 16.02.24
Series "O" 2013-14	100.00	4-Mar-14	500.00	-	500.00	9.73%	4-Mar-24	Bullet payment on redemption date i.e., 04.03.24
Series "M" 2013-14	100.00	14-Mar-14	3,000.00	-	3,000.00	9.73%	14-Mar-24	Bullet payment on redemption date i.e., 14.03.24
Total (C)			35,000.00	-	35,000.00			

D) Secured, Redeemable, Non Convertible Debentures (privately placed)

Series	Face Value per debenture (₹ in lakh)	Date of allotment	Balance as at 31.03.2013 (₹ in lakh)	Current Maturities (₹ in lakh)	Non Current Portion (₹ in lakh)	Interest Rate (%)	Date of redemption	Redeemable term
Series "B" 2010-11	10.00	16-Apr-10	7,500.00	7,500.00	-	8.91% p.a.	16-Apr-13	At the end of 3 years from the date of allotment
Series "D" of 2012-13	10.00	21-Dec-12	17,000.00	17,000.00	-	9.18%p.a.	21-Mar-14	Bullet payment on redemption date i.e., 21.03.14
Series "C" of 2010-11	10.00	16-Apr-10	7,500.00	-	7,500.00	8.91% p.a.	16-Apr-14	At the end of 4 years from the date of allotment
Series "C" of 2012-13	10.00	30-Nov-12	25,000.00	-	25,000.00	9.1282%p.a.	30-Apr-14	2 years from deemed date of allotment, call option exercised 17 months from deemed date of allotment
Series "F" of 2012-13 (Refer foot note)	10.00	28-Mar-13	25,000.00	-	25,000.00	9.60%p.a.	27-Mar-15	24 months from deemed date of Allotment, call date on 28th Jun13

Notes forming part of Financial Statements - March 31, 2014

D) Secured, Redeemable, Non Convertible Debentures (privately placed) Contd...

Series	Face Value per debenture (₹ in lakh)	Date of allotment	Balance as at 31.03.14 (₹ in lakh)	Current Maturities (₹ in lakh)	Non Current Portion (₹ in lakh)	Interest Rate (%)	Date of redemption	Redeemable term
Series "D" of 2010-11	10.00	16-Apr-10	7,500.00	-	7,500.00	8.91% p.a.	16-Apr-15	At the end of 5 years from the date of allotment
Series "E" of 2010-11	10.00	16-Apr-10	7,500.00	-	7,500.00	8.91% p.a.	16-Apr-16	At the end of 6 years from the date of allotment
Series "B" of 2011-12	10.00	31-Oct-11	10,000.00	10,000.00	-	9.40%p.a.	31-Oct-16	At the end of 5 years from the date of allotment, Put call option at the end of 18 months
Series "F" of 2010-11	10.00	16-Apr-10	7,500.00	-	7,500.00	8.91% p.a.	15-Apr-17	At the end of 7 years from the date of allotment
Series "B" of 2012-13	10.00	9-Nov-12	25,000.00	-	25,000.00	9.35%p.a.	7-Nov-17	At the end of 5 years from the date of allotment, Put call option 2 years from date allotment
Series "G" of 2010-11	10.00	16-Apr-10	7,500.00	-	7,500.00	8.91% p.a.	16-Apr-18	At the end of 8 years from the date of allotment
Series "E" of 2012-13	10.00	11-Jan-13	45,000.00	-	45,000.00	9.0%p.a.	11-Jan-23	10 years from Deemed date of Allotment, redemption date is 11th Jan 23
Series "A" of 2011-12	10.00	18-Oct-11	50,000.00	-	50,000.00	9.70%p.a.	18-Oct-28	At the end of 17 years from the date of allotment, Put call option at the end of 10 years
Total (D)			242,000.00	34,500.00	207,500.00			

Notes forming part of Financial Statements - March 31, 2014

E) Long Term Infrastructure Bonds - Secured, Redeemable, Non Convertible Debentures (public issue)

Series	Face Value per debenture (₹ in lakh)	Date of allotment	Balance as at 31.03.2013 (₹ in lakh)	Current Maturities (₹ in lakh)	Non Current Portion (₹ in lakh)	Interest Rate (%)	Redeemable term
Series 2010A - 1	0.01	2-Dec-10	1,908.20	-	1,908.20	7.75% p.a. payable annually	At the end of 10 years from the date of allotment. Buyback option available to the investors at the end of 7 years from the date of allotment.
Series 2010A - 2	0.01	2-Dec-10	4,717.17	-	4,717.17	7.75% p.a. compounded annually payable at maturity	
Series 2010A - 3	0.01	2-Dec-10	6,289.78	-	6,289.78	7.50% p.a. payable annually	At the end of 10 years from the date of allotment. Buyback option available to the investors at the end of 5 years from the date of allotment.
Series 2010A - 4	0.01	2-Dec-10	12,706.40	-	12,706.40	7.50% p.a. compounded annually payable at maturity	
Series 2011A - 1	0.01	23-Mar-11	9,069.27	-	9,069.27	8.20% p.a. payable annually	
Series 2011A - 2	0.01	23-Mar-11	30,930.73	-	30,930.73	8.30% p.a. compounded annually payable at maturity	
Series 2011 B - 1	0.01	10-Jan-12	15,184.82	-	15,184.82	9 % p.a. payable annually	At the end of 10 years from the date of allotment. Buyback option available to the investors at the end of 5 years and 7 years from the date of allotment.
Series 2011 B - 2	0.01	10-Jan-12	37,755.81	-	37,755.81	9 % p.a., compounded annually payable at maturity	
Series 2012 A - 1	0.01	24-Mar-12	12,129.31	-	12,129.31	8.70 % p.a. payable annually	
Series 2012 A - 2	0.01	24-Mar-12	35,755.18	-	35,755.18	8.70 % p.a. compounded annually payable at maturity	

Total (E) **166,446.67** - **166,446.67**

Total Redeemable non convertible debentures (secured) (D+E) **408,446.67** **34,500.00** **373,946.67**

The debentures covered in (D) and (E) above are secured by mortgage of an immovable property created under the terms of it's operating lease arrangement and hypothecation of specific receivables.

F) Unsecured, Redeemable, Non Convertible Debentures (privately placed)

Series	Face Value per debenture (₹ in lakh)	Date of allotment	Balance as at 31.03.2013 (₹ in lakh)	Current Maturities (₹ in lakh)	Non Current Portion (₹ in lakh)	Interest Rate (%)	Date of redemption	Redeemable term
Series "A" 2012-13	100.00	30-Apr-12	20,000.00	-	20,000.00	9.90%	29-Apr-22	Bullet payment on redemption date i.e., 29th Apr 22
Total (F)			20,000.00	-	20,000.00			

Notes forming part of Financial Statements - March 31, 2014

4b Term loans from bank (Secured)

Repayment terms	Balance as at 31.03.14 (₹ in lakh)	Current Maturities (₹ in lakh)	Non Current Portion (₹ in lakh)	Tenure	Range of rate of interest
Bullet repayment	133,966.00	41,983.00	91,983.00	15 months to 5 years	Base Rate plus Spread (0% to 0.25%)
Equated annual installments	30,000.00	10,000.00	20,000.00	4 year	Base Rate
Equated semi annual installments	241,811.75	35,168.00	206,643.75	5 years to 6 years	Base Rate plus Spread (0% to 0.20%) & 5 Yr G-Sec plus Spread (1.25%)
Equated quarterly installments	367,832.00	89,500.00	278,332.00	5 years to 7 years	Base Rate plus Spread (0% to 0.90%)
Total	773,609.75	176,651.00	596,958.75		

Above loans are secured by first exclusive charge on specific receivables.

Term loans from bank (Unsecured)

Repayment terms	Balance as at 31.03.2014 (₹ in lakh)	Current Maturities (₹ in lakh)	Non Current Portion (₹ in lakh)	Tenure	Range of rate of interest
Bullet repayment	90,100.00	-	90,100.00	15 months	Base Rate plus Spread (0% to 0.25%)
Total	90,100.00	-	90,100.00		

Term loans from bank (Secured)

Repayment terms	Balance as at 31.03.2013 (₹ in lakh)	Current maturities (₹ in lakh)	Non current portion (₹ in lakh)	Tenure	Range of rate of interest
Bullet repayment	161,714.00	30,000.00	131,714.00	15 months to 5 years	Base Rate plus Spread (0% to 1.50%)
Equated annual installments	30,000.00	-	30,000.00	4 year	Base Rate plus Spread (0% to 0.25%)
Equated semi annual installments	181,571.25	6,167.00	175,404.25	5 years to 6 years	Base Rate plus Spread (0% to 0.60%) & 5 Yr G-Sec plus Spread (1.25%)
Equated quarterly installments	282,333.00	38,668.00	243,665.00	5 years to 7 years	Base Rate plus Spread (0% to 0.90%) & 5 Yr G-Sec plus Spread (1.74%)
Total	655,618.25	74,835.00	580,783.25		

Above loans are secured by first exclusive charge on specific receivables.

Term loans from bank (Unsecured)

Repayment terms	Balance as at 31.03.2013 (₹ in lakh)	Current maturities (₹ in lakh)	Non current portion (₹ in lakh)	Tenure	Range of rate of interest
Bullet repayment	99,900.00	-	99,900.00	15 months	Base Rate plus Spread (0% to 1.50%)
Total	99,900.00	-	99,900.00		

Notes forming part of Financial Statements - March 31, 2014

Note 4(i): Deferred tax assets (net)

(₹ in Lakh)

Component	As at 31-03-2014		As at 31-03-2013	
	Assets	Liabilities	Assets	Liabilities
Timing difference between book balance and tax balace of fixed assets	-	60.10	-	67.38
Provision on loan assets/interest receivable	7,372.40	-	4,958.71	-
Employee benefits	93.70	-	82.67	-
	7,466.10	60.10	5,041.38	67.38
Net Deferred Tax Asset	7,406.00		4,974.00	

Note :

a) No deferred tax liability has been recognised on Special Reserve created under section 36(1)(viii) of the Income Tax Act, 1961 based on the Management's evaluation that the possibility of withdrawal there from is remote.

5 Other long-term liabilities

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
Others		
Deferred income on loan processing	2,740.84	3,329.32
Interest accrued but not due on debentures / bonds	27,997.65	17,435.31
Total other long-term liabilities	30,738.49	20,764.63

6 Long-term provisions

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
For employee benefits:		
Gratuity	93.09	80.58
Others:		
For contingent provisions against standard assets	5,303.72	4,798.43
For interest capitalised on restructured assets*	9,268.39	4,181.63
Total long-term provisions	14,665.20	9,060.64

* Includes interest capitalised on Non-Performing Restructured Assets of ₹ 194 lakhs (previous year ₹ 212 lakhs).

7 Short-term borrowings

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
(I) Secured*		
Bank overdraft/ Cash Credit	-	20,856.46
Total I	-	20,856.46
(II) Unsecured		
Term loan from Banks	2,200.00	-
Commercial paper	-	46,382.12
(Net of unexpired discount - Nil (previous year ₹ 1,117.88 lakhs))		
Total II	2,200.00	46,382.12
Total short-term borrowings (I+II)	2,200.00	67,238.58

*Secured by first exclusive charge on specific receivables.

Notes forming part of Financial Statements - March 31, 2014

8 Trade Payable

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
For services (Other than Micro and Small Enterprises)	260.78	272.51
	260.78	272.51

Note: On the basis of replies received by the Company in response to enquiries made, there are no dues payable at the year end to Micro, Small and Medium Enterprises nor are there other particulars that are required to be disclosed under the Companies Act, 1956 or the Micro, Small and Medium Enterprises Development Act, 2006.

9 Other current liabilities

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
a) Current maturities of long-term debt (refer note 4)	234,151.00	109,335.00
b) Interest accrued but not due on debentures	16,840.31	9,825.43
c) Interest accrued but not due on other borrowings	548.45	546.08
d) Deferred income on loan processing	869.51	1,480.14
e) Other Payables:		
Advance from borrowers	19.80	19.80
Sundry creditors for capital goods	5.56	5.43
Accrued expenses	2,360.47	1,668.32
Debenture application money refundable	119.98	367.13
Unclaimed interest on debentures (refer footnote)	767.88	768.71
Cash margin collected	-	1,468.62
Statutory liabilities	294.81	79.07
Total other current liabilities	255,977.77	125,563.73

Note: No amount was due for transfer to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956.

10 Short-term provisions

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
For employee benefits:		
Gratuity	3.75	11.14
Compensated absences	178.81	154.46
Others:		
For Dividend Distribution Tax	-	322.85
For contingent provisions against standard assets	670.79	716.81
Total short-term provisions	853.35	1,205.26

Notes forming part of Financial Statements - March 31, 2014

11 Fixed assets (at cost less depreciation)

(₹ in lakh)

Description	Gross Block			Depreciation & Amortisation				Net Book Value		
	Opening	Additions	Deductions	Closing	Up to	Charge	Deductions	Up to	As at	
	as at 01.04.2013	during the year		as at 31.03.2014	01.04.2013	during the year		31.03.2014	31.03.2013	
Tangible										
Computers	183.84	69.86	0.77	252.93	87.23	27.24	0.58	113.89	139.04	96.61
	(156.44)	(27.48)	-	(183.84)	(60.85)	(26.38)	-	(87.23)	(96.61)	
Furniture and Fittings	14.04	11.33	-	25.37	6.61	0.81	-	7.42	17.95	7.43
	(11.99)	(2.05)	-	(14.04)	(6.10)	(0.51)	-	(6.60)	(7.43)	
Office Equipment	54.35	3.65	-	58.00	7.67	2.91	-	10.58	47.42	46.68
	(46.74)	(7.77)	(0.16)	(54.35)	(4.76)	(2.94)	(0.03)	(7.67)	(46.68)	
Total tangible assets (A)	252.23	84.84	0.77	336.30	101.51	30.96	0.58	131.89	204.41	150.72
	(215.17)	(37.22)	(0.16)	(252.23)	(71.71)	(29.83)	(0.03)	(101.51)	(150.72)	
Intangible										
Computer Software	499.05	55.06	-	554.11	222.23	155.57	-	377.80	176.31	276.82
	(454.39)	(44.66)	-	(499.06)	(75.65)	(146.58)	-	(222.23)	(276.82)	
Total intangible assets (B)	499.05	55.06	-	554.11	222.23	155.57	-	377.80	176.31	276.82
	(454.39)	(44.66)	-	(499.05)	(75.65)	(146.58)	-	(222.23)	(276.82)	-
Total (A+B)	751.28	139.90	0.77	890.41	323.74	186.53	0.58	509.69	380.72	427.54
Previous Year	(669.56)	(81.88)	(0.16)	(751.28)	(147.36)	(176.44)	(0.03)	(323.74)	(427.54)	-

Note: Previous year figures are shown in brackets.

12 Non-current investments

	Face Value	As at 31-03-2014		As at 31-03-2013	
	₹	Quantity	(₹ in lakh)	(₹ in lakh)	
Trade investment, valued at cost, unquoted, fully paid:					
Investments in Subsidiaries:					
(I) Investments in debentures or bonds					
Cumulative Compulsory Convertible Debentures (CCCDs)					
L&T Infra Investment Partners Advisory Private Limited	1,000	160,000	1,600.00	160,000	1,600.00
(II) Investment in equity shares					
L&T Infra Investment Partners Advisory Private Limited	10	5,000,000	500.00	5,000,000	500.00
L&T Infra Investment Partners Trustee Private Limited	10	100,000	10.00	100,000	10.00
Investments in Associates:					
(I) Investment in equity shares					
Feedback Infrastructure Services Private Ltd.	100	3,790,000	3,790.00	3,790,000	3,790.00
L&T Infra Debt Fund Limited	10	147,000,000	14,700.00	-	-
Non Trade investment, valued at cost, unquoted, fully paid:					
(I) Investments in debentures or bonds					
Compulsory Convertible Debentures (CCDs)					
Tikona Digital Networks Pvt. Ltd	2,840	541,040	15,365.54	519,212	14,745.62
Bhoruka Power Corporation Limited	100,000	15,336	15,336.00	-	-
Multiple Option Exchangeable Debentures (MOEDs)					
Mission Holdings Private Limited	100,000	5,500	5,500.00	-	-

Notes forming part of Financial Statements - March 31, 2014

12 Non-current investments (Contd.)

	Face Value ₹	As at 31-03-2014 Quantity (₹ in lakh)		As at 31-03-2013 (₹ in lakh)	
(II) Investments in preference shares:					
Cumulative Redeemable Preference Shares					
10% Anrak Aluminium Limited	10	125,000,000	12,500.00	125,000,000	12,500.00
8% KSK Energy Ventures Limited	10	34,000,000	3,400.00	67,000,000	6,700.00
Cumulative Convertible Preference Shares (CCPS)					
Ardom Telecom Limited	100,000	-	-	1,800	1,800.00
(III) Investment in equity shares					
BSCPL Infrastructure Ltd.	10	1,047,916	6,004.56	1,047,916	6,004.56
Tikona Digital Networks Pvt. Ltd.	10	605	17.18	316	8.97
Bhoruka Power Corporation Ltd.	10	100	0.85	587,850	5,000.00
Bhoruka Power Holdings Private Limited	10	100	0.02	-	-
Ardom Telecom Ltd.	10	-	-	648,649	200.00
Mission Holdings Private Limited	10	100	0.01	-	-
Coastal Projects Limited	10	328,526	1,481.54	-	-
Hanjer Biotech Energies Private Limited	10	208,716	944.31	-	-
(IV) Investment in units of fund					
LICHFL Urban Development Fund	10,000	2,870	287.00	2,000	200.00
L&T Infra Investments Partner Fund					
Class B	100	9,951,689	9,951.69	-	-
Class C	100	500,000	500.00	-	-
Class D	10	10,000	1.00	-	-
(V) Investment in Security Receipts					
Phoenix ARC private Limited	1,000	1,061,435	10,614.35	-	-
Total non - current investments			102,504.05	53,059.15	
Less: Provision for diminuation in the value of investments			944.31	-	-
Net non-current Investments			101,559.74	53,059.15	
Note 1					
a) Aggregate amount of unquoted investments			102,504.05	53,059.15	
b) Aggregate amount of quoted investments and market value thereof.			-	-	

Notes forming part of Financial Statements - March 31, 2014

13 Long-term loans and advances towards financing activities

(₹ in Lakh)

	Non current portion		Current maturities	
	As at 31-03-2014	As at 31-03-2013	As at 31-03-2014	As at 31-03-2013
Term Loans	1,176,784.44	1,176,356.25	162,269.94	172,433.58
Debentures (refer footnote)	152,801.98	62,500.00	5,890.00	12,632.22
Gross Loans	1,329,586.42	1,238,856.25	168,159.94	185,065.80
Less: Provision on Standard Assets	2,871.00	1,508.11	-	-
Less: Provision on Restructured Assets	6,898.12	3,059.91	-	-
Less: Provision on Non Performing Assets	9,903.76	3,792.81	-	-
Net Loans	1,309,913.54	1,230,495.42	168,159.94	185,065.80
Less: Amount disclosed under the "note 19"	-	-	168,159.94	185,065.80
	1,309,913.54	1,230,495.42	-	-
The above amount includes:				
Secured	1,319,586.44	1,238,856.25	168,159.94	185,065.80
Unsecured	9,999.98	-	-	-
Total	1,329,586.42	1,238,856.25	168,159.94	185,065.80

Footnote : Details of debentures in the nature of Loan are given in "Note 13 (i)".

Note 13(i)

Following are the details of debentures in the nature of Loan:

Name of Company	As at 31.03.2014			As at 31.03.2013		
	Nos.	Face value	(₹ in lakhs)	Nos.	Face value	(₹ in lakhs)
Secured						
(A) Non Convertible Redeemable Debentures						
Emas Expressway Pvt. Ltd.	-	-	-	360	1,000,000	3,484.44
MAPEX Infrastructure Pvt.Ltd.	-	-	-	640	1,000,000	6,147.78
Ind Bharat Power Madrass Ltd.	-	-	-	50	10,000,000	5,000.00
Valdel Projects Corp. Pvt. Ltd.	1,532	100,000	1,532.00	4,500	100,000	4,500.00
Adani Ports and Special Economic Zone Limited	1,350	1,000,000	13,500.00	2,500	1,000,000	25,000.00
Mandava Holdings Private Limited	2	50,000,000	1,000.00	12	50,000,000	6,000.00
Soma Enterprises Limited	1,500	1,000,000	15,000.00	1,500	1,000,000	15,000.00
Patel KNR Heavy Infrastructure Limited	38,500	100,000	38,500.00			
Inox Air Products Limited	1,600	1,000,000	16,000.00	-	-	-
O B Infrastructure Limited	32,160	100,000	32,160.00			

Notes forming part of Financial Statements - March 31, 2014

Name of Company	As at 31.03.2014			As at 31.03.2013		
	Nos.	Face value	(₹ in lakh)	Nos.	Face value	(₹ in lakh)
(B) Optionally Exchangeable Redeemable Debentures						
Soma Infrastructure Private Limited	210	10,000,000	21,000.00	-	-	-
(C) Compulsory Convertible Debentures						
IOT Utkal Energy Services Ltd.	10	100,000,000	10,000.00	10	100,000,000	10,000.00
Unsecured						
(A) Non Convertible Redeemable Debentures						
Tata Power Company Limited	900	1,000,000	9,000.00	-	-	-
(B) Optionally Convertible Debentures						
Bhoruka Power Holdings Private Limited	99,998	1,000	999.98	-	-	-
Total			158,691.98			75,132.22

14 Long-term loans and advances

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
Security deposits (Unsecured, considered good)	1,200.43	650.00
Others:		
Forward contract receivable	5,118.75	4,482.25
Advances recoverable in cash or in kind or for value to be received to be received (net of allowance for doubtful advances of ₹ 12.84 lakhs (previous year: ₹ 12.84 lakhs))	498.43	573.55
Advance Payment of Income Tax (net of provision for tax ₹ 46,828.16 lakhs (previous year ₹ 34,011.96 lakhs))	8,493.96	4,085.64
Total other long term loans and advances	15,311.57	9,791.44

15 Other non-current assets

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
Others:		
Accrued interest on debentures (Secured, considered good)	6,018.41	1,869.11
Total other non-current assets	6,018.41	1,869.11

Notes forming part of Financial Statements - March 31, 2014

16 Current Investments

	Face Value ₹	As at 31-03-2014 Quantity (₹ in lakh)		As at 31-03-2013 (₹ in lakh)	
Non Trade investment, valued at lower of cost or market value, fully paid:					
(I) Investment in equity shares - (net of provision) - quoted					
C&C Construction Limited	10.00	877,081	207.87	877,081	271.90
B.L. Kashyap & Sons Limited	1	7,882,522	413.83	-	-
Non Trade investment, valued at cost, fully paid, unquoted:					
(I) Investment in preference shares:					
Current maturity of long term investment					
KSK Energy Ventures Limited	10.00	33,000,000	3,300.00	33,000,000	3,300.00
(II) Investment in equity shares (net of provision)					
ICOMM Tele Limited	10.00	41,667	0.00	41,667	0.00
(III) Investment in mutual funds					
Investments in Mutual Funds			82,408.12		20,427.15
Total Current Investments			86,329.82		23,999.05
Note :					
a) Aggregate amount of unquoted investments			85,708.12		23,727.15
b) Aggregate amount of quoted investments			621.70		271.90

17 Trade receivables

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
Unsecured		
Considered Good - outstanding for a period of less than Six months from the date they become payable	1,324.86	1,341.58
Total trade receivables	1,324.86	1,341.58

18 Cash and cash equivalents

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
Cash and cash equivalents as defined in AS - 3		
Cash on hand	0.40	0.14
Balances with Banks		
In Current Account	656.22	2.20
Others		
In earmarked accounts		
-unclaimed infrastructure bonds application money	119.98	367.13
-unclaimed interest on infrastructure bonds	767.88	768.71
Total cash and Bank Balance	1,544.48	1,138.18

Notes forming part of Financial Statements - March 31, 2014

19 Current maturities of long - term loans towards financing activities (₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
Current maturities of long - term loans towards financing activities (Secured, considered good) (refer note 13)	168,159.94	185,065.80
Total current maturities of long - term loans towards financing activities	168,159.94	185,065.80

20 Short term loans and advances - others (₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
Security deposits (Unsecured, considered good)	139.66	118.91
Loans and advances to related parties (refer note 30) (Unsecured, considered good)	10.02	291.44
Others		
Prepaid Expense	47.11	36.23
Loan to employees	-	0.49
Forward contract receivable	3,023.00	2,377.14
Other advances recoverable in cash or in kind or for value to be received	184.44	116.70
Total other short term loans and advances	3,404.23	2,940.91

21 Other current assets (₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
Accrued Interest on loans towards financing activities (Secured, considered good)	8,659.39	11,939.71
Accrued interest on debentures (Secured, considered good)	276.65	1,537.69
Accrual of Fee Income	287.82	434.66
Total other current assets	9,223.86	13,912.06

22 Revenue from operations (₹ in Lakh)

	Year ended 31-03-2014	Year ended 31-03-2013
Interest and dividend income		
Interest on loans and advances towards financing activities	162,091.11	145,659.12
Less : Provision made / (reversal) for interest receivables	1,330.48	(54.44)
	160,760.63	145,713.56
Interest on debentures	13,166.05	6,641.98
Dividend Income from preference shares	396.71	802.19
Other operating income		
Financial advisory fees	3,333.72	4,499.24
Gain / (loss) on loans sell down of loan assets	452.83	-
Other Income from preference shares	1,370.47	1,492.83
Total revenue from operations	179,480.41	159,149.80

Notes forming part of Financial Statements - March 31, 2014

23 Other income		(₹ in Lakh)	
	Year ended 31-03-2014	Year ended 31-03-2013	
Interest on bank deposits	156.17	0.47	
Gain / (loss) on sale of Current Investments	3,034.35	-	
Dividend income on current investments	940.81	817.88	
Dividend income on long term investment	84.63	8.82	
Gain / (loss) on sale of long term Investments	2,973.69	-	
Others	325.96	0.84	
Total other income	7,515.61	828.01	
24 Employee benefit expenses		(₹ in Lakh)	
	Year ended 31-03-2014	Year ended 31-03-2013	
Salaries	3,056.85	2,501.24	
Contribution to provident and other funds	119.11	100.49	
Staff Gratuity	5.13	42.86	
Staff Welfare	55.44	69.23	
Expenses on Employees Stock Option Plans (refer note 39).	28.47	63.42	
Reimbursement of costs of staff on deputation	33.65	1.65	
Total employee benefit expenses	3,298.65	2,778.89	
25 Finance cost		(₹ in Lakh)	
	Year ended 31-03-2014	Year ended 31-03-2013	
Interest expenses	122,759.18	97,110.66	
Other borrowing costs	616.23	727.12	
Total finance cost	123,375.41	97,837.78	
26 Other expenses		(₹ in Lakh)	
	Year ended 31-03-2014	Year ended 31-03-2013	
Rent	602.05	604.48	
Electricity charges	20.86	18.03	
Property maintenance	54.90	75.38	
Telephone, postage and courier	99.95	151.76	
Printing & stationery	29.88	32.93	
Membership & subscription	122.52	87.15	
Insurance	13.21	3.11	
Training and conference	58.52	47.05	
Travelling and conveyance	321.77	281.87	
Advertising & publicity	129.62	179.99	
Professional fees	1,204.62	676.60	
Auditors' remuneration (refer note given below)	68.01	40.98	
Directors' fees	16.07	14.25	
Commission to Non-executive Directors	44.44	12.72	
Rates and taxes	0.06	0.10	
Brand license Fee	1,502.64	972.10	
Support charges	567.10	633.99	
Management fees	700.79	656.19	
Repairs & maintenance - IT Assets	269.11	130.75	
Miscellaneous expenses	160.79	131.53	
Total establishment and other expenses	5,986.91	4,750.96	

Note: Auditors' Remuneration comprises the following (net of service tax set off):

Notes forming part of Financial Statements - March 31, 2014

(₹ in Lakh)

	Year ended 31-03-2014	Year ended 31-03-2013
As auditors	40.50	22.00
For tax audit	4.50	3.00
For tax matters	9.25	-
Other service	9.73	13.13
Reimbursement of expenses	0.51	0.48
Service tax on above	3.52	2.37
	68.01	40.98

27 Provisions and contingencies

(₹ in Lakh)

	Year ended 31-03-2014	Year ended 31-03-2013
Provision for standard assets	1,822.16	2,401.47
Provision for restructured assets	3,838.21	3,060.34
Provision for non-performing assets	6,110.95	1,206.56
Provision for diminution in value of Investments	1,008.34	199.98
Bad debts write off	1,644.87	570.99
Total provisions and contingencies	14,424.53	7,439.34

28: Contingent liabilities and commitments:

(₹ in Lakh)

	As at March 31, 2014	As at March 31, 2013
(I) Contingent Liabilities:		
a) Claims against the Company not acknowledged as debt:		
1. Income Tax matter in dispute	2,912.62	16.75
2. Service Tax matter in dispute	453.96	453.96
b) Bank Guarantees	-	4,895.40
c) Other money for which the Company is contingently liable:		
1. Liability towards Letter of Comfort	25,673.99	31,454.98
(II) Commitments:		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
b) Other Commitments:		
1) Performance Guarantee	908.25	1,308.25
2) Undisbursed Commitment	116,598.36	186,575.69

29 The Company's main business is to provide finance for infrastructure projects. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of Accounting Standard (AS) 17 on 'Segment Reporting' prescribed by the Companies (Accounting Standards) Rules, 2006.

30 As per the Accounting Standard (AS) 18 on 'Related Party Disclosures', the related parties, nature and volume of transactions carried out with them in the ordinary course of business are as follows:

Notes forming part of Financial Statements - March 31, 2014

Related party disclosures:

(a) List of related parties and relationships:

A. Ultimate holding company:

1. Larsen & Toubro Limited

B. Holding company:

2. L&T Finance Holdings Limited

C. Subsidiary company:

3. L&T Infra Investment Partners Trustee Private Limited
4. L&T Infra Investment Partners Advisory Private Limited

D. Fellow subsidiary company:

5. L&T Finance Limited
6. L&T FinCorp Limited
7. L&T Sargent & Lundy Limited
8. L&T Power Development Limited
9. L&T MHI Boilers Private Limited
10. L&T Shipbuilding Limited
11. L&T Infotech Limited
12. L&T Housing Finance Limited
13. Nabha Power Limited
14. L&T Infrastructure Development Projects Limited
15. L&T Electromech LLC
16. L&T Valdel Engineering Limited
17. L&T Vrindavan Properties Limited
18. L&T Investment Management Limited
19. L&T ENC Hydorcarbon Limited

E. Associates:

20. Feedback Infrastructure Services Private Limited (w.e.f. September 28, 2012)
21. L&T Infra Debt Fund Limited (w.e.f. March 19, 2013)

F. Key Management Personnel:

22. Mr. Suneet K. Maheshwari (Manager till January 30, 2012, Managing Director from January 31, 2012 to March 20, 2014)
23. Mr. Gopalakrishnan Krishnamurthy (Manager from March 21, 2014)

Note: The above list contain name of only those related parties with whom the Company has undertaken transactions in current or previous year.

(b) Related party transactions:

		(₹ in Lakh)	
Sr. No.	Nature of Transactions	2013-14	2012-13
1	Interest expenditure on inter corporate borrowings		
	• L&T Finance Holdings Limited	31.11	485.17
	• L&T Finance Limited	45.50	79.37
	• L&T Housing Finance Limited	18.81	1.52
	• L&T FinCorp Limited	16.40	37.19
2	Interest income received on inter corporate deposit		
	• L&T Infra Investment Partners Advisory Pvt. Ltd.	-	0.45
	• L&T FinCorp Limited	9.89	-

Notes forming part of Financial Statements - March 31, 2014

(₹ in Lakh)

Sr. No.	Nature of Transactions	2013-14	2012-13
3	Interest on secured debentures		
	• Larsen & Toubro Limited	27.46	640.79
4	Reimbursement of staff cost / expenses		
	• L&T Finance Holdings Limited	28.47	63.42
	• L&T Infra Investment Partners Advisory Pvt. Ltd.	0.83	-
5	Support charges		
	• L&T Finance Limited	603.37	674.16
6	Rent paid		
	• L&T Finance Holdings Limited	-	20.67
	• L&T Finance Limited	332.23	352.14
	• L&T Vrindavan Properties Limited	23.31	-
7.	Security deposit given		
	• L&T Vrindavan Properties Limited	721.18	-
8.	Brand license fees		
	• Larsen & Toubro Limited	1,442.56	1,092.25
9.	Management fees		
	• L&T Finance Holdings Limited	741.58	694.38
10.	Interim dividend paid		
	• L&T Finance Holdings Limited	10,572.72	1,990.16
11.	Professional fees & other expenses paid		
	• L&T Finance Holdings Limited	-	4.35
	• L&T Sargent & Lundy Limited	0.73	7.22
	• L&T Finance Limited	8.80	7.67
	• Larsen & Toubro Limited	54.76	162.91
	• L&T Electromech LLC	-	0.52
	• L&T InfoTech Limited	83.72	43.91
	• L&T Infra Investment Partners Advisory Pvt. Ltd.	-	6.20
	• L&T Valdel Engineering Limited	-	0.02
	• L&T Investment Management Limited	6.68	-
12.	Other expenses recoverable		
	• L&T Infra Investment Partners Advisory Pvt. Ltd.	-	5.62
	• L&T InfoTech Limited	-	5.62
	• L&T Finance Holdings Limited	4.03	-
13.	Deputation cost recoverable		
	• L&T Infrastructure Development Projects Limited	-	17.87
	• L&T MHI Boilers Private Limited	-	3.19
	• Larsen & Toubro Limited	-	15.53
	• L&T Power Development Limited	-	5.17
14.	Preliminary expenses paid on behalf of / recoverable		
	• L&T Infra Debt Fund Limited	-	280.40
15.	Fee income		
	• L&T Infrastructure Development Projects Limited	303.37	-
	• L&T Shipbuilding Limited	325.84	-
	• Nabha Power Limited	-	505.62

Notes forming part of Financial Statements - March 31, 2014

(₹ in Lakh)

Sr. No.	Nature of Transactions	2013-14	2012-13
16.	Interest income on Cumulative compulsory convertible debenture (CCCD)		
	• L&T Infra Investment Partners Advisory Pvt. Ltd.	160.00	4.99
17.	Equity shares issued (including share premium)		
	• L&T Finance Holdings Limited	-	14,999.85
18.	Purchase of loan Assets		
	• L&T Finance Limited	12,021.78	27,369.38
	• L&T FinCorp Limited	-	3,936.59
19.	Sale of loan Assets		
	• L&T FinCorp Limited	120,917.18	-
20.	Payment of capital expenditure to		
	• L&T InfoTech Limited	24.05	41.46
21.	Inter corporate borrowing taken		
	• L&T Finance Holdings Limited	45,200.00	1,66,400.00
	• L&T Finance Limited	42,600.00	68,850.00
	• L&T Housing Finance Limited	6,250.00	2,000.00
	• L&T FinCorp Limited	12,565.31	9,700.00
22.	Inter corporate borrowing repaid		
	• L&T Finance Holdings Limited	45,200.00	167,834.52
	• L&T Finance Limited	42,600.00	68,850.00
	• L&T Housing Finance Limited	6,250.00	2,000.00
	• L&T FinCorp Limited	12,565.31	9,700.00
23.	Inter corporate deposit given		
	• L&T Infra Investment Partners Advisory Pvt. Ltd.	1.11	1,010.00
	• L&T FinCorp Limited	2,000.00	-
24.	Inter corporate deposit received back		
	• L&T Infra Investment Partners Advisory Pvt. Ltd.	1.11	1,010.00
	• L&T FinCorp Limited	2,000.00	-
25.	Investment in equity shares		
	• L&T Infra Investment Partners Advisory Private Ltd.	-	499.00
	• L & T Infra Investment Partners Trustee Private Ltd.	-	9.00
	• Feedback Infrastructure Services Private Limited.	-	3,790.00
	• L&T Infra Debt Fund Limited.	14,700.00	-
26.	Investments in Cumulative compulsory convertible debenture		
	• L&T Infra Investment Partners Advisory Private Limited	-	1,600.00
27.	Key management personnel – remuneration		
	• Suneet Kumar Maheshwari	176.46	161.70
	• Gopalakrishnan Krishnamurthy	3.69	-
28.	Secured debenture outstanding		
	• Larsen & Toubro Limited	-	7,500.00
29.	Trade receivables		
	• L&T Shipbuilding Limited	252.81	-
	• L&T Infrastructure Development Projects Limited	276.37	-
	• L&T Nabha Power Limited	-	505.62

Notes forming part of Financial Statements - March 31, 2014

(₹ in Lakh)

Sr. No.	Nature of Transactions	2013-14	2012-13
30.	Interest receivables		
	• L&T Infra Investment Partners Advisory Pvt. Ltd.	148.49	-
31.	Account payable		
	• L&T Finance Holdings Limited	3.03	11.57
	• Larsen & Toubro Limited	43.10	24.46
	• Larsen & Toubro Electromech LLC	0.52	0.13
	• L&T Infotech Limited	14.61	20.27
	• L&T Sargent & Lundy Limited	-	4.53
	• L&T ENC Hydrocarbon Limited	0.33	-
	• L&T Fincorp Limited	32.87	-
	• L&T Infra Investment Partners Advisors Pvt. Ltd.	0.83	-
	• L&T Investment Management Limited	6.09	-

Note: Transactions shown above are inclusive of Service Tax, if any.

- 31** The Company holds certain premises under operating leases. Rent includes net expenses of ₹ 602.05/- lakhs (previous year ₹ 604.48/- lakhs). The committed lease rentals in the future are:

(₹ in Lakh)

Particulars	2013-14	2012-13
Not later than one year	54.29	189.68
Later than one year and not later than five years	62.24	-
Later than five years	-	-

- 32** Earnings per share computed as per the Accounting Standard (AS) 20 'Earnings Per Share ("EPS")' issued by the Institute of Chartered Accountants of India, is as follows:

₹ in lakhs except per share data

Basic & Diluted	2013-14	2012-13
Profit after tax as per statement of Profit and Loss (₹)	29,212.99	34,421.42
Weighted average number of equity shares for computation of Basic earnings per share	829,233,000	804,210,419
Weighted average number of equity shares for computation of diluted earnings per share	829,233,000	804,210,419
Number of equity shares outstanding	829,233,000	829,233,000
Basic earnings per share (₹)	3.52	4.28
Diluted earnings per share (₹)	3.52	4.28
Nominal Value of Shares (₹)	10	10

33 Expenditure in Foreign Currencies

(₹ in Lakh)

	2013-14	2012-13
Professional Fees	320.71	198.82
Other expenses	76.45	35.20

- * The above amount does not include payment of Nil (previous year: ₹ 0.56 lakh) made on behalf of subsidiary company which is recoverable.

Notes forming part of Financial Statements - March 31, 2014

34 Employee Benefits

I. Defined-Contribution Plans

The Company offers its employee defined contribution plans in the form of provident fund and family pension fund. Provident fund and family pension funds cover substantially all regular employees. Contributions are paid during the year into separate funds under certain fiduciary-type arrangements. Both the employees and the Company pay predetermined contributions into provident fund and family pension fund. The contributions are normally based on a certain proportion of the employee's salary. The Company recognised charges of ₹ 119.11 lakh (previous year ₹ 100.49 lakh) for provident fund contribution in the Statement of Profit and Loss.

II. Defined-Benefit Plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees. The gratuity scheme is not funded. Commitments are actuarially determined at year-end. On adoption of the revised Accounting Standard (AS) 15 on "Employee Benefits", actuarial valuation is based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to Statement of Profit and Loss. The following tables set out the amounts recognised in the Company's financial statements as at March 31, 2014 in respect of Gratuity benefits:

a) The amounts recognised in the balance sheet are as follows:

	(₹ in Lakh)	
	As at 31-03-2014	As at 31-03-2013
Present Value of Funded Obligations	-	-
Fair Value of Plan Assets	-	-
Present Value of Unfunded Obligations	96.84	92.62
Unrecognised Past Service Cost	-	0.90
Amount not Recognised as an Asset (limit in Para 59 (b))	-	-
Net Liability	96.84	91.72
Amounts in Balance Sheet		
Liability	96.84	91.72
Assets	-	-
Net Liability is bifurcated as follows:	-	91.72
Current	3.75	11.14
Non Current	93.09	80.58
Net Liability	96.84	91.72

b) The amounts recognised in the Statement of profit and loss are as follows:

	(₹ in Lakh)	
	As at 31-03-2014	As at 31-03-2013
Current Service Cost	20.89	16.32
Interest on Defined Benefit Obligation	8.58	5.20
Expected Return on Plan Assets	-	-
Net Actuarial Losses/(Gains) recognised in the Year	(30.32)	25.53
Past Service Cost	0.90	1.79
Losses/(Gains) on "Curtailements & Settlements"	-	-
Losses/(Gains) on "Acquisition/Divestiture"	5.08	-
Effects of the limit in Para 59(b)	-	-
Less: Recoverable from Larsen & Toubro Ltd (Ultimate Holding Co.)	-	(5.98)
Total, included in "Employee Benefit Expense"	5.13	42.86
Actual Return on Plan Assets	-	-

Notes forming part of Financial Statements - March 31, 2014

c) Reconciliation of Benefit Obligation & Plan Assets for the period

(₹ in Lakh)

	As at 31-03-2014	As at 31-03-2013
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	92.62	45.57
Current Service Cost	20.89	16.32
Interest Cost on Defined Benefit Obligation	8.58	5.20
Actuarial Losses/(Gain) recognized	(30.32)	25.53
Past Service Cost	-	-
Actuarial Losses/(Gain) due to "Curtailment & Settlements"	-	-
Liabilities Extinguished on "Settlements"	-	-
Liabilities assumed on Acquisition/(Settled on Divestiture)	17.41	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(12.34)	-
Closing Defined Benefit Obligation	96.84	92.62
Change in Fair Value of Plan Assets		
Opening Fair Value of Plan Assets	-	-
Expected Return on Plan Assets	-	-
Actuarial Gain / (Losses)	-	-
Assets Distributed on Settlements	-	-
Contributions by Employer	12.34	-
Assets Acquired on Acquisition / Distributed on Divestiture	-	-
Exchange Difference on Foreign Plans	-	-
Benefits Paid	(12.34)	-
Closing Fair Value of Plan Assets	-	-

d) Experience Adjustment

	2013-14	2012-13	2011-12	2010-11	2009-10
Defined Benefit Obligation	96.84	92.62	45.56	33.53	19.66
Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(96.84)	(92.62)	(45.56)	(33.53)	(19.66)
Experience. Adjustments on Plan Liabilities	(14.81)	19.88	(5.88)	(1.07)	2.76
Experience. Adjustments on Plan Assets	-	-	-	-	-

e) Financial assumptions at the valuation date

	2013-14	2012-13
Discount Rate (per annum)	9.20%	7.95%
Expected Rate of Return on Assets (per annum)	Not Applicable	Not Applicable
Salary Escalation Rate (per annum)	7.00%	7.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult table.	Indian Assured Lives Mortality (2006-08) Ult table

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and relied upon by the Auditors.

The contributions expected to be made by the Company during the financial year 2014 - 15 amounts to ₹ 59.17 lakhs (previous year ₹ 51.45/- lakhs).

Notes forming part of Financial Statements - March 31, 2014

- 35** Appropriations to the Special Reserve under Section 36(1) (viii) of the Income Tax Act, 1961 and the Special Reserve under Section 45-IC of Reserve Bank of India Act, 1934 are carried out of distributable profits of the Company.
- 36** Appropriation to the Debenture Redemption Reserve has been created in terms of Section 117C of the Companies Act, 1956 is carried out of distributable profits of the Company.
- 37** The Company has invoked pledge of equity shares in the following borrower companies, pledged with it as collateral by the borrowers and these shares are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Borrower Name	No. of shares kept as bailee	
	2013-14	2012-13
Hanjer Biotech Energies Private Limited	325,096	-
VMC Systems Ltd	1,164,508	16,25000
Coastal Projects Limited	329,245	-

38 Foreign currency exposure

The Company has entered into currency swap transactions with a view to convert its USD borrowings into Indian rupee borrowing. Accordingly, the Company has revalued the foreign currency borrowing and currency swap at the balance sheet date.

Particulars	2013-14	2012-13
Liability – External Commercial Borrowings	USD 65,000,000	USD 65,000,000
Assets – Currency Swap	USD 65,000,000	USD 65,000,000

- 39** Pursuant to the Employees Stock Options Scheme established by the holding company (i.e. L&T Finance Holdings Limited), stock options were granted to the employees of the Company. Total cost incurred by the holding company, in respect of options granted to employees of the Company amounts, recovery of the same and future period expense details are following:

Financial year	Total cost incurred by holding company (i.e. L&T Finance Holdings Limited)	Expense recovered by holding company till end of financial year	Expenses charged to statement of profit and loss for the year	Remaining expenses to be recovered in future period
(A)	(B)	(C)	(D)	(E = B-C)
2010-11	117.41	17.00	17.00	100.41
2011-12	217.07	97.86	80.86	119.21
2012-13	209.44	161.28	63.42	48.16
2013-14	246.45	189.75	28.47	56.70

- 40** During the period the Company has charged-off debenture issue expenses net off tax of ₹ 246.25 lakhs (previous period ₹ 227.65 lakhs) to the Securities Premium Account in accordance with Section 78 of the Companies Act, 1956.
- 41 (i)** The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of RBI circular (Ref. No. DNBS (PD) CC No. 279 / 03.02.001 / 2012-13 dated July 2, 2012.)

(i) Capital to Risk Assets Ratio (CRAR)	2013-14	2012-13
CRAR (%)	16.97%	15.76%
CRAR - Tier I Capital (%)	14.79%	14.16%
CRAR - Tier II Capital (%)	2.18%	1.60%

Notes forming part of Financial Statements - March 31, 2014

(₹ in Lakh)

(ii) Exposure to Real Estate Sector	2013-14	2012-13
a) Direct Exposure		
Residential Mortgages	-	-
Infrastructure Real Estate (SEZs, Industrial Parks, IT Parks)	9,429.34	14,089.00
Commercial Real Estate	36,329.92	33,678.02
Investment in Mortgage Backed Securities(MBS) and other securitised exposures	-	-
b) Indirect Exposure	-	-

(iii) Maturity pattern of certain items of assets and liabilities

(₹ in Lakh)

	Year	One month	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities										
Borrowings from banks	2013-14	12,200.00	1,250.00	26,334.00	42,066.33	97,000.67	553,227.00	133,831.75	-	865,909.75
	2012-13	-	1,250.00	36,333.67	7,583.66	50,524.13	495,488.40	185,194.85	-	776,374.71
Market Borrowings	2013-14	32,500.00	-	-	-	25,000.00	274,221.30	51,725.37	146,000.00	529,446.67
	2012-13	7,500.00	30,000.00	7,500.00	18,882.12	17,000.00	148,996.18	122,450.49	122,500.00	474,828.79
Assets										
Advance	2013-14	5,074.18	9,977.45	40,355.25	44,134.62	68,618.44	309,406.01	356,353.27	663,827.14	1,497,746.36
	2012-13	18,896.50	9,659.85	14,470.35	56,430.53	85,608.57	326,310.31	362,526.62	550,019.32	1,423,922.05
Investments	2013-14	83,029.82	-	-	3,300.00	-	3,400.00	-	98,159.74	187,889.56
	2012-13	20,699.05	-	-	3,300.00	-	6,700.00	-	46,359.15	77,058.20

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

(as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

Liability Side:

1. Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:

(₹ in Lakh)

Particular	Amount outstanding	Amount overdue
(a) Debentures :		
Secured	537,266.88	-
Unsecured	37,017.75	-
(Other than falling within the meaning of Public Deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	826,965.00	-
(d) Inter-Corporate Loans and borrowings	-	-
(e) Commercial Paper	-	-
(f) Other Loans		
i) Foreign Currency Loan	31,340.48	-
ii) Bank Overdraft , Cash credit & Working Capital Demand Loan	10.96	-
Total	1,432,601.07	-

Notes forming part of Financial Statements - March 31, 2014

Asset Side:

2. Break-up of Loans and Advances including bills receivables [Other than those included in (3) below]

(₹ in Lakh)

Particular	Amount outstanding
(a) Secured (Net of Provision for NPA)	1,477,842.62
(b) Unsecured	9,999.98

3. Break-up of Leased Assets and Stock on Hire and hypothecation loans counting towards AFC activities

(₹ in Lakh)

Particular	Amount outstanding
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial Lease	-
(b) Operating Lease	
(ii) Stock on hire including hire charges under sundry debtors	
(a) Assets on Hire	-
(b) Repossessed Assets	
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	

4. Break-up of Investments

(₹ in Lakh)

Amount outstanding

Current Investments

1. Quoted		-
(i) Shares :	(a) Equity (net of provision)	621.70
	(b) Preference	-
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others (please specify)		-
2. Unquoted :		-
(i) Shares :	(a) Equity	0.00
	(b) Preference	3,300.00
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		82,408.12
(iv) Government Securities		-
(v) Others (please specify)		-

Long Term Investments

1. Quoted		
(i) Shares :	(a) Equity	-
	(b) Preference	-
(ii) Debentures and Bonds		-
(iii) Units of Mutual Funds		-
(iv) Government Securities		-
(v) Others (please specify)		-
2. Unquoted :		
(i) Shares :	(a) Equity	27,448.47
	(b) Preference	15,900.00
(ii) Debentures and Bonds		37,801.54
(iii) Units of Mutual Funds / Venture Capital Fund		10,739.69
(iv) Government Securities		-
(v) Others (please specify) Security Receipts		10,614.35

Notes forming part of Financial Statements - March 31, 2014

5. Borrower group-wise classification of assets financed : (see footnote 2 below)

Category	Amount (net of NPA provisions) (₹ in Lakh)	
	2013-14	2012-13
1. Related Parties **		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	1,487,842.60	1,420,129.24
Total	1,487,842.60	1,420,129.24

6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): (see footnote 3 below)

(₹ in Lakh)

Category	2013 - 14		2012 - 13	
	Market Value/ Breakup Value/ Fair value /NAV	Book Value (Net of Provisions)	Market Value/ Breakup Value/ Fair value /NAV	Book Value (Net of Provisions)
1. Related Parties **				
(a) Subsidiaries	2,110.00	2,110.00	2,110.00	2,110.00
(b) Companies in the same group	-	-	-	-
(c) Other related parties	18,490.00	18,490.00	3,790.00	3,790.00
2. Other than related parties @	168,497.88	167,289.56	71,358.18	71,158.20
Total	189,097.88	187,889.56	77,258.18	77,058.20

@ being cost of unquoted investments net of provision in diminution (if any)

** As per Accounting Standard issued by the Institute of Chartered Accountants of India (see footnote 3 below)

7. Other information

(₹ in Lakh)

Particulars	2013-14	2012-13
(i) Gross Non-Performing Assets	52,447.43	20,868.27
(a) Related parties	-	-
(b) Other than related parties	52,447.43	20,868.27
(ii) Net Non-Performing Assets	42,543.85	16,863.46
(a) Related parties	-	-
(b) Other than related parties	42,543.85	16,863.46
(iii) Assets acquired in satisfaction of debt	3,311.56	471.88

8. No Loans (availed by the Company) remain overdue as on March 31, 2014 and March 31, 2013.

Footnotes:

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms have been applied as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by the Institute of Chartered Accountants of India are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/Net Asset Value in respect of unquoted investments have been disclosed irrespective of whether they are classified as long term or current.

Notes forming part of Financial Statements - March 31, 2014

₹ in lakhs

Note 41 (ii): Details of accounts restructured during the year ended March 31, 2014.

	Under CDR Mechanism				Others				Total				
	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1, 2013	No. of borrowers Amount outstanding Provision thereon	4 43,194 6,299	- - -	6 48,692 7,519	3 13,632 728	- - -	- - -	7 56,826 7,027	2 5,498 1,220	- - -	- - -	9 62,324 8,247
2	Fresh restructuring during the year	No. of borrowers Amount outstanding Provision thereon	5 53,683 8,109	- - -	5 53,683 8,109	5 30,549 2,514	- - -	- - -	10 84,232 10,623	- - -	- - -	- - -	10 84,232 10,623
3	Upgradations to restructured standard category during the FY	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers Amount outstanding Provision thereon	- - -	NA NA NA	- - -	NA NA NA	NA NA NA	NA NA NA	- - -	NA NA NA	NA NA NA	NA NA NA	- - -
5	Downgradations of restructured accounts during the FY	No. of borrowers Amount outstanding Provision thereon	-1/1 -17,167 -2,347	1 3,286 851	-2/2 -20,479 / 21,122 -3,198 / 4625	-1 -3,046 -397	1 3,046 397	-1/1 -3046 / 3046 -397 / 397	-2 -20,213 -2,744	-1/2 -3312 / 20882 -851 / 4171	1 3,286 851	- - -	-3/3 -23525 / 24168 -3595 / 5022
6	Adjustments on account of Recovery / FTL/Additional finance	No. of borrowers Amount outstanding Provision thereon	3 -4,352 -474	- - -	4 -4,523 -474	3 -932 351	- - -	- - -	6 -5,284 -123	1 -171 -	- - -	- - -	7 -5,455 -123
7	Write-offs of restructured accounts during the FY (refer foot note 2 below)	No. of borrowers Amount outstanding Provision thereon	- - -	- - -	- - -	- - -	-1 -3,046 -397	-1 -3,046 -397	- - -	-1 -3,046 -397	-1 - -	- - -	-1 -3,046 -397
8	Restructured Accounts as on March 31, 2014	No. of borrowers Amount outstanding Provision thereon	8 75,358 11,587	1 3,286 851	11 98,495 16,882	7 40,203 3,196	- - -	7 40,203 3,196	15 115,561 14,783	2 19,851 4,444	1 3,286 851	- - -	18 138,698 20,078
9	Assets not restructured as on 31-3-2014 for borrowers where one or more other facilities were restructured not included above.	No. of borrowers Amount outstanding	1 15,000	- -	1 15,000	2 5,404	- -	2 5,404	3 20,404	- -	- -	- -	3 20,404

Foot note:

- There are no restructuring under SME Debt Restructuring Mechanism.
- Figures under Sr. No 7 comprises of the sale of restructured assets to AFC.

Notes forming part of Financial Statements - March 31, 2014

41 (iii) Details of financials assets sold to SC/RC for Assets Reconstruction

		(₹ in Lakh)	
Particulars	2013-14	2012-13	
a No. of accounts	4	-	
b Aggregate value (net of provisions) of accounts sold to SC / RC	11,172.93	-	
c Aggregate consideration	11,172.93	-	
d Additional consideration realised in respect of accounts transferred in earlier years	-	-	
e Aggregate gain / loss over net book value	-	-	

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

For and on behalf of the Board
Y. M Deosthalee
Chairman

N. Sivaraman
Director

Suneet K. Maheshwari
Director

G. Krishnamurthy
Manager & Chief executive

Mumbai, Date April 22, 2014