

Notes to consolidated financial statements for the year ended March 31, 2018

i) Jubilee Provision:

The amount of provision represents the future jubilee expenses which are expected to be paid to the Company's employees when they reach an employment of 25 and 40 years, based on actuarial calculations.

ii) Environmental provision:

The Group's operations are subject to environmental laws and regulations in the jurisdictions in which group operates. Some of these laws restrict the amount and type of emissions that group's operations can release into the environment. Group has made necessary provision required by respective local laws. The out flow of which would depend on the cessation of the respective events.

iii) Reorganization provision:

Due to a downward trend and a stronger competition, management has announced a cost reduction plan in some of the geographies which includes a decrease in headcounts and other costs. The Group made provision in respect of the same and outflow is expected on cessations of the respective events.

iv) Labour / employee claim provision:

Companies in the Group are parties to various lawsuits that are at administrative or judicial level or in their initial stages, involving labour, tax and civil matters. The Group contest in court all claims and based on the assessment of their legal counsel, record a provision when the risk of loss is considered probable. The outflow is expected on completion of the respective events.

v) Provision for contingencies :

The Group has considered provision for contingencies based on the best estimate of management of possible outflow relating to customs assessment on imports.

18. Income taxes

The major components of income tax expense for the years ended 31 March 2018 and 31 March 2017 are:

Consolidated statement of profit and loss:

Profit or loss section

	INR Crores	
	March 31, 2018	March 31, 2017
Current income tax:		
Current income tax charge	311	293
Adjustments of tax relating to earlier years	(79)	5
Deferred tax:		
Relating to origination and reversal of temporary differences	43	(109)
Income tax expense reported in the statement of profit or loss	275	189

OCI section

Deferred tax related to items recognised in OCI during the year:

	INR Crores	
	March 31, 2018	March 31, 2017
Gain on FVTOCI financial assets and net gain/loss on remeasurement of defined benefit plans.	(5)	0
Income tax charged to OCI	(5)	0