

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

19. Income taxes (Contd.)

c) Deferred tax

The major components of Deferred tax assets/ (liabilities) arising on account of temporary difference are as follows: INR Crores

	Balance Sheet		Statement of profit and loss	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Accelerated depreciation for tax purposes	(205)	(189)	16	18
Debentures carried at amortised cost	1	(2)	(3)	(0)
Minimum tax credit	63	-	(63)	75
Provision for doubtful debts and advances	42	32	(10)	3
Gratuity	8	6	(2)	(2)
Leave Encashment	24	22	(2)	(4)
Unwinding of interest cost of trade payables	(3)	(7)	(4)	(1)
Others	7	5	(2)	(5)
Net deferred tax assets/(liabilities)	(64)	(133)	-	-
Deferred tax expense/(income)	-		(69)	84

Reflected in the balance sheet as follows:

INR Crores

	Balance Sheet	
	March 31, 2018	March 31, 2017
Deferred tax assets	144	65
Deferred tax liabilities:	(208)	(198)
Deferred tax liabilities, net	(64)	(133)

Reconciliation of deferred tax liabilities (net):

INR Crores

	Balance Sheet	
	March 31, 2018	March 31, 2017
Opening balance as of 1 April	(133)	(49)
Tax income/(expense) during the year recognised in profit or loss	69	(84)
Tax income/(expense) during the year recognised in OCI	0	(1)
Tax income/(expense) during the year recognised in Equity	-	1
Closing balance as at 31 March	(64)	(133)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Given that the Company does not have any intention to dispose investments in subsidiaries and associates in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised. Similarly, the Company does not have any intention to dispose of its free hold and lease hold land in the foreseeable future, therefore, deferred tax asset on indexation benefit in relation to these assets has not been recognised.

20. Provisions

INR Crores

	March 31, 2018			March 31, 2017		
	Leave encashment	Dividend on CCPS	Total	Leave encashment	Dividend on CCPS	Total
Opening	63	3	66	51	-	51
Arising during the year	5	-	5	20	3	23
Utilised	-	(3)	(3)	(8)	-	(8)
Closing	68	-	68	63	3	66