

DIRECTORS' REPORT

Dear Members,

The Board of Directors hereby presents the Thirty-Fourth Annual Report on the business and general operations of your Company along with the financial statements for year ended March 31, 2018.

1. FINANCIAL SUMMARY:

Company's financial performance for the year ended March 31, 2018, is summarized below:
(Rs. in Millions)

	Standalone		Consolidated	
	2017-2018	2016-2017	2017-2018	2016-2017
Profit before depreciation and tax	2021.24	2,187.91	2019.86	2,185.24
Less: Depreciation	889.20	891.36	889.20	891.36
Profit before tax	1132.04	1,296.55	1130.66	1,293.88
Less: Provision for Current tax	255.11	262.89	255.11	262.89
MAT Credit Entitlement	(0.93)	(31.57)	(0.93)	(31.57)
Provision for Deferred tax	(112.88)	(145.49)	(112.88)	(145.49)
MAT Credit Entitlement of Earlier Years	(4.88)	-	(4.88)	-
Written Off (Back)				
Profit after tax	995.62	1,210.72	994.24	1,208.05
Add: Balance in Profit and Loss account	7354.92	6,144.20	7346.59	6,138.54
Adjustment on account of merger of subsidiary		-	-	-
Amount available for appropriation	8350.24	7,354.92	8340.83	7,346.59
Which Transfer to General Reserve	-	-	-	-
Interim Dividends	-	-	-	-
Tax on Dividend	-	-	-	-
Balance carried to Balance Sheet	8350.54	7,354.92	8340.83	7,346.59



2. GLOBAL ECONOMIC CONDITIONS IMPACTING PERFORMANCE OF YOUR COMPANY:

According to Business Standard –

As per the World Economic Situation and Prospects 2018 report of the United Nations, the Indian economy is projected to grow at 7.2 per cent in 2018-19 and 7.4 per cent in 2019-20. The report indicates that the outlook for India remains largely positive, underpinned by robust private consumption and public investment as well as ongoing structural reforms.

Share of public sector (including public financial corporations, public non-financial corporations and General Government) in total Gross Fixed Capital Formation (GFCF) increased from 21.4 per cent in 2011-12 to 23.3 per cent in 2014-15 and further to 25.1 per cent in 2016-17 (the latest year for which data is available). The share of public GFCF in GDP at current prices increased from 7.0 per cent in 2014-15 to 7.2 per cent in 2016-17. The average contribution of public sector GFCF to GDP growth was 9.5 per cent from 2014-15 to 2016-17, as compared to 3.0 per cent in 2012-13.

The confidence in the Indian economy has increased on account of policy measures taken up by the Government and the Reserve Bank of India. Moody's rating agency upgraded India's local and foreign currency issuer rating to Baa2 with a stable outlook from Baa3 on the expectation that continued progress in India's economic reforms will enhance India's growth potential over time. According to World Bank's Ease of Doing Business 2018 Report, India's ranking improved by 30 positions to 100th rank in 2018.

As per the World Economic Forum, India's rank in Global Competitiveness Index is 40 out of 137 countries in 2017-18, improvement over 71 out of 144 countries in 2014-15 and 55 out of 140 countries in 2015-16.

The Government of India has taken various initiatives to improve the confidence in the Indian economy and boost the growth of the economy and which, inter-alia, include; fillip to manufacturing, concrete measures for transport and power sectors as well as other urban and rural infrastructure, comprehensive reforms in the foreign direct investment policy, special package for textile industry, push to infrastructure development by giving infrastructure status to affordable housing and focus on coastal connectivity. For highways development the Bharatmala Pariyojana has been launched. The Government has launched a phased program for bank recapitalization. This entails infusion of capital to the public sector banks, which is expected to encourage banks to enhance lending. The Insolvency and Bankruptcy Code was enacted to achieve insolvency resolution in a time bound manner. The introduction of the Goods and Services Tax (GST) has provided a significant



opportunity to improve growth momentum by reducing barriers to trade, business and related economic activities. Budget 2018-19 included various measures to provide a push to the economy, which among others, include major push to infrastructure via higher allocation to rail & road sector, reduced corporate tax rate of 25 per cent for companies with turnover up to Rs. 250 crore which is expected to help 99 per cent of MSMEs, etc.

3. Power Generating Sets Business:

Powerica executes approximately 1921.6 MW power with Cummins diesel engines during the year under the review, with the supply & commissioning of over 7,020 DG Sets. Cummins, a leader in engine manufacturing is associated with Powerica since its inception. Currently, Powerica markets the entire range of engines manufactured by Cummins from 7.5 kVA to 3750 kVA in Diesel and Gas.

4. Wind Power Generation Business:

Powerica's Wind Division expanded its horizon from Wind Project Development Business to operation and maintenance of Balance of Plant (BoP), currently maintaining BoP of 46 Wind Turbine Generators (WTGs) located in the state of Gujarat (Powerica 11 WTGs in Jangi & 14 WTGs in Khambhaliya along with 21 WTGs of other Customers in Khambhaliya). Gained experience of doing Scheduling & Forecasting of Wind Data for 35MW (14 WTGs of Powerica & 21 WTGs of other customers) located in Khambhaliya, Gujarat.

As on the date of this report, Company holds Land Bank of Government waste land of around 138MW out of the identified 440 MW potential wind sites in various District of Gujarat State and have identified customers for 50MW project for March, 2018 commissioning.

On 25th March, 2017 executed a tri-party MoU between Govt. of Gujarat, Powerica and Vestas for installation of 750MW wind projects over a period of 5 years, in the state of Gujarat.

During the year under the review, Powerica's Wind Division decided to focus on Andhra Pradesh and identified 200MW wind potential sites.

With phasing out of FiT (Feed in Tariff) mechanism and advent of bidding regime in the Indian wind sector, the wind companies had to pass through a challenging phase; the new capacity addition in the country was installed. The situation further worsened when the wind states stopped signing PPA at the existing FiT rates without even declaration of any bid/auction leaving the investors in jeopardy. The first ever wind auction in Gujarat faced a delay of six months from the date when the bid was first declared. The e-reverse auction in Gujarat for 500MW finally took place in the month of December 2017 in which our company secured 50 MW capacity at a tariff of Rs 2.44/kWh. The project is under construction stage and has been targeted to be commissioned by March 2019. Thus, considering this 50 WM, our cumulative wind asset capacity will be become 202.75 MW by March 2019.



GUVNL has declared second bid for another 500 MW to purchase wind power in the state in which Powerica is keen to participate.

5. Performance Review:

Performance Review for main business segments that Company operates, viz Power Generating Sets, Electricity Generation from Wind Turbine Generators and others is summarized below:

	Year Ended (Rs. In Millions)	
	31.03.2018	31.03.2017
<u>Gross Turnover</u>		
Power Generating Set Business and Service Division.	11197.90	12477.59
Electricity Generation from Wind Turbine Generators.	1633.62	1686.60
Others.	126.03	241.74
Total	12957.55	14405.93

6. Power Generating Set Business & Service Division:

The power generating set business recorded gross revenue of Rs. 11,197.90 millions in 2017-18 as compared to Rs.12,477.59 millions in 2016-17.

Service Division achieved revenue of Rs. 1079 millions (previous year Rs. 1,057 millions) during the year under review. Service business will continue to focus on annual maintenance contracts, government projects and retail business.

7. ELECTRICITY GENERATION FROM WIND TURBINE BUSINESS:

During the Financial Year 2017-18, Powerica Limited has generated 351 million units (kWh) of wind power from its 88 Wind Turbine Generators (WTGs) having capacity of 152.75 MW, earning a revenue of INR 1311 million from selling power to State Electricity Boards (SEB).





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8. Carbon Benefit from Wind Power Projects

The Company has initiated the process of registering its last completed project of 10MW under Clean Development Mechanism (CDM) with United Nations Framework Convention on Climate Change (UNFCCC) and awaiting host country approval from Ministry of Environmental & Forestry (MoEF) consequently the project will be eligible to earn approximately 25,000 CERs (Certified Emission Reductions) per annum. Company's other projects of 138 MW are already registered under CDM.

9. Generation Based Incentives

In 2009, the Ministry introduced a Generation Based Incentive (GBI) Scheme for wind power projects wherein wind power projects not availing the Accelerated Depreciation (AD) benefit are eligible for GBI incentive at the rate of Rs. 0.50 per unit of power fed to the grid subject to the ceiling of Rs. 1 Crore per MW.

Three of our projects in the State of Gujarat with a total capacity of 50MW are GBI registered projects. The Company has earned a GBI revenue of INR 61 million for financial year 2017-18.

10. New Source of Revenue – Powerica as a Developer for Balance of Plant

In continuation of Joint Venture agreement with Vestas dated 27th June, 2016 and tri-party MoU with Govt. of Gujarat and Vestas dated 25th March, 2017, during the year under review, the Company entered into Co-Development Definitive agreements on 21st Feb, 2018 for 250MW of wind power project located in Khambhaliya, Gujarat with a commitment of 50:50 investment contribution from Vestas and Powerica. This 250 MW project will be developed jointly by both the parties and will be offered to the IPPS in the market to participate in central or state wind auctions. Under the definitive agreement the exclusivity for WTG supply/erection has been guaranteed to VESTAS while that of BoP is guaranteed to Powerica.

As on the date of this report, the Company has total 1120 ~ 1670MW of wind power Projects under various stages of BoP Development for own use or to sell to other IPPs.



Windy States	Project Description	Capacity	Grid Connectivity	Remarks
Gujarat	Bhatel	50MW	STU approval in Hand	Reserved for Powerica, DoC March, 2019
	Rajkot-Phase 1	50MW	STU approval in Hand	Reserved for Powerica participation in June, 2018 auction
	Rajkot-Phase 2	40MW	STU approval in Hand	IPP Customer to be identified
	Botad	30MW	In-principle STU approval	IPP Customer to be identified
	Khambhaliya	250MW ~ 500MW	1. Power Grid, CTU-application in process 2. STU Application in process	Co-Development with Vestas, Customer to be identified
Andhra Pradesh	Anantapur - Kurnool	250MW ~ 500MW	Power Grid, CTU-application in process	IPP Customer to be identified
Maharashtra	Alkuti	50MW ~ 100MW	STU Application in process	IPP Customer to be identified
Karnataka	Raichur	400MW		
TOTAL		1120 ~ 1670 MW		



As on date, a total of 12 wind masts are running at above project sites to analyse the Wind Data and derive the Generation Estimates. Company is in discussion with potential OEM partners for these projects to enter into contractual association for project development and marketing.

11. DIVIDEND:

The Board of Director had declared the First Interim dividend of ₹:- 2/- (100%) per Equity Share of face value of ₹:- 2/- each for the Financial Year 2017-18 at their meeting held on April 25, 2018 at the rate of 100% on issued, subscribed and paid-up capital.

Total payout for dividend was Rs. 91.69 million (Rs. 91,693,580/-) (including Dividend Distribution Tax).

Interim Dividend declared by the Board of Directors is proposed to be considered as Final Dividend.

12. Board Meetings, Board Committee Meetings and Procedures:

(a) Institutionalised decision-making process

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served.

The Board has constituted four Board Committees, namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Management and Operational Committee. The Board is authorised to constitute additional functional Committees, from time to time, depending on business needs.

The Company's internal guidelines for Board / Board Committee meetings facilitate decision making process at its meetings in an informed and efficient manner. The following sub-sections deal with the practice of these guidelines at the Company.

(b) Scheduling and selection of agenda items for Board meetings

(i) Minimum four Board meetings are held annually with a maximum time gap of not more than one hundred and twenty days between two consecutive meetings. Dates for the Board meetings are decided well in advance and communicated to the Directors. Additional Board meetings, as and when deemed necessary, are convened to address the Company's specific needs.

(ii) All departments of the Company are advised to plan their functions well in advance, particularly with regard to matters requiring discussion / approval / decision at Board / Committee meetings. Such matters are communicated by them to the



Company Secretary in advance so that they are included in the agenda for Board / Committee meetings with the consent of the Chairman and Managing Director.

(iii) The Board is given presentations / briefed on areas covering operations of the Company, financial performance, business strategy and risk management practices before approving the quarterly / annual financial results of the Company.

(iv) The Chairman of the Board and the Company Secretary, in consultation with other concerned members of the senior management, finalise the agenda for Board meetings.

(c) Board material distributed in advance

The agenda and notes on agenda are circulated to Directors in advance and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is placed before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

(d) Recording minutes of proceedings at Board and Committee meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated within 15 days of meeting to Board / Committee members for their comments. The minutes are entered in the Minutes Book at the succeeding meeting.

(e) Post meeting follow-up mechanism

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments / divisions. Action-taken report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board / Committees for information, noting and further directions / guidance.

(f) Compliance

The Company Secretary in consultation with Chairman and Managing Director and Joint Managing Director, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, as applicable and the Secretarial Standards on the Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.



Number of Board meetings held with dates

During the Financial Year 2017-18 Five Board meetings were held.

The details of Board meetings are given below:

Date	Board Strength	No. of Directors Present
June 27, 2018	11	11
August 2, 2017	11	9
September 4, 2017	11	10
November 30, 2017	11	9
March 21, 2018	11	10

Attendance of Directors at Board meetings and last Annual General Meeting (AGM):

Name of the Director	AGM held on September 28, 2017	Board Meeting					Held during the tenure	Attended	% of attendance
		1	2	3	4	5			
Naresh C. Oberoi		♀	♀	♀	♀	♀	5	5	100%
Bharat Oberoi		♀	♀	♀	♀	♀	5	5	100%
Renu Oberoi		♀	♀	♀	♀	♀	5	5	100%
K R Puri		♀	♀	♀	♀	♀	5	5	100%
Pradeep Gupta		♀	♀	♀	♀	♀	5	5	100%
Udai Dhawan / Vibhav Parikh		♀	♀	♀	♀	♀	5	5	100%
Ghanshyam Dass		♀	L	L	♀	♀	5	3	60%
Krishen Dev		♀	♀	♀	L	♀	5	4	80%
Dinesh Kumar		♀	L	♀	♀	♀	5	4	80%
Prakash Gurav		♀	♀	♀	♀	♀	5	5	100%
Veena Thadhani		♀	♀	♀	L	L	5	3	60%

* ♀ - Director Present

L - Leave of Absence



13. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under the review following changes have taken place in Composition of Board of Directors.

Mrs. Veena B. Thadhani (DIN: 00490673), has resigned as an Independent Director with effect from March 20, 2018. Board of Directors at their meeting held on March 21, 2017 placed its appreciation for her contribution as an Independent Director.

Mr. Bharat Oberoi, Jt. Managing Director (DIN:- 00083664), Mr. Pradeep Gupta, Wholetime Director (DIN:- 00013424) and Mr. Kharati Ram Puri, Non-Executive Non-Independent Director (DIN:- 00015011) are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

14. DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013, that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

15. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

Pursuant to the provision of the Act, the Board has carried out performance evaluation of its own, the Board Committees and of the Independent Directors. Independent Directors of the Company met separately on March 20, 2017 to evaluate the performance of Non Independent Directors, Board as a whole and Chairman of the Board.

16. NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee of Board of Directors of the Company is constituted in accordance with the provisions of Section 178 of Companies Act, 2013 and Rules thereunder.

This Committee comprises of Mr. Dinesh Kumar, Director-(DIN 01133565), Mr. Krishen Dev, Director - (DIN 00001534), Mr. Udai Dhawan, Nominee Director- (DIN: 03048040).

Nomination & Remuneration Policy is annexed to this Report as annexure 1.

The Nomination & Remuneration Committee met One time during the year under review. Committee Meeting was held on September 4, 2017, and was attended by requisite quorum.





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17. AUDIT COMMITTEE:

The Audit Committee of Board of Directors of the Company is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Rules made thereunder. The constitution, terms of reference etc. of the aforesaid committee of the Board are provided as annexure 2 to this Report.

The Audit Committee comprises of the following members:

- 1) Mr. Prakash Gurav (DIN 02004317)– Chairman
- 2) Mr. Dinesh Kumar (DIN 01133565)
- 3) Mr. Ghanshyam Dass (DIN 01807011)
- 4) Mr. Krishen Dev (DIN 00001534)
- 5) Mr. Udai Dhawan (Nominee Director) / Mr. Vibhav Parikh (Alternate Director to Mr. Udai Dhawan)
- 6) Mr. Naresh C. Oberoi (DIN 00009000) – As an Invitee.
- 7) Mr. Pradeep Gupta (DIN 00013424) - As an Invitee.

The Audit Committee met four times during the year under review. Committee Meeting was held on June 27, 2017, September 4, 2017, November 30, 2017 and March 21, 2018 and was attended by requisite quorum.

18. INTERNAL COMPLAINTS COMMITTEE (ICC)

Internal Complaints Committee (ICC) had been constituted under the provision of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013' to redress complaints received regarding sexual harassment.

Your Directors further state that during the year under review, there were no cases filed pursuant to this Act.

19. VIGIL MECHANISM:

The Vigil Mechanism Policy of Powerica Limited in pursuance to the provisions of Section 177 and Rule (7) of the Companies Act, 2013, was approved by the Board of Directors at their meeting held on June 14, 2014. The same has been displayed on the Company's website.

20. DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;





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- (b) The Directors had 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) – 21 and Ind.AS -110 on Consolidated Financial Statements, the consolidated financial statement is provided in the Annual Report.

22. POSITION OF THE SUBSIDIARIES:

- (a) Sale of Wholly Owned Subsidiary Company:

Airpower Windfarms Private Limited (Formerly known as Theni Wind Power Private Limited) was partially disinvested by transfer of 50% of Equity Shares of Rs. 12,50,000 comprising of 1,25,000 Equity Shares of Rs. 10/- Each to M/s. Vestas Wind Technology India Private Limited for execution of 250 MW project at Khambaliya. Board of Directors had approved the transfer of 50% of shares of Airpower Windfarms Private Limited at their Board Meeting held on November 30, 2016 made the Airpower Windfarms Private Limited as Associate Company of Powerica Limited.

- (b) Formation of New Wholly Owned Subsidiary Companies:

With the view to expand the Business of Wind Division of Company, Company has formed three new subsidiary companies in the name of

- 1) Sovereign Windfarms Private Limited
- 2) Vespower Windfarm Private Limited
- 3) Gooty Windfarms Private Limited to execute the various projects.



The financial performance of each of the subsidiary is included in the consolidated financial statements of your Company set out in the Annexure 3 to this Report.

23. STATEMENT SHOWING DETAILS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are as Annexure- 4.

24. LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Act, are given in the notes to the Financial Statements.

25. EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the Company is annexed herewith as Annexure 5, to this Report.

26. AUDITORS:

M/s. Jayantilal Thakkar & Co., Chartered Accountants, (FRN:- 104133W) Statutory Auditors hold office until the conclusion of Thirty-Eight Annual General Meeting subject to ratification by the members at every Annual General Meeting and are recommended for reappointment to audit the accounts of the Company for the Financial Year 2017-18.

The Company has received a certificate from M/s. Jayantilal Thakkar & Co., Chartered Accountants, Mumbai to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013, and that they are not disqualified for re-appointment.

There are no Qualifications in Audit reports by Statutory Auditors for the financial year 2017-18.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

27. SECRETARIAL AUDIT:

Secretarial Audit Report as provided by M/s Jagdish Patel & Associates. Practicing Company Secretary is annexed to this Report as annexure 6.

There are no Qualifications in Audit reports by Company Secretary in Practice in his secretarial audit report:



28. COST AUDITOR:

Board of Directors of the Company had appointed M/s N. Ritesh & Associates, Cost Accountants as Cost Auditors to audit the cost accounts of the Company for financial year 2017-18 in accordance with provision of Section 148 and Rules made thereto of the Companies Act, 2013.

The Cost Audit Report for the Financial Year 2016-17 was filed on the Portal of Ministry of Corporate Affairs on September 28, 2017.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

Since the Company is involved in the business of manufacturing / assembly of generating sets, which are energy saving devices, it does not have much scope of conservation of energy, technology absorption.

The information of Foreign Exchange Earning and Outgo is annexed as annexure 9.

30. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The Company has a well placed, proper and adequate internal financial control Manual which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly.

During the year, such controls were tested and no reportable material weakness in the operation was observed.

31. RISK MANAGEMENT POLICY:

Risk Management Policy was approved by Board of Directors at their meeting held on August 19, 2013, and is annexed to this Report as annexure 7.

32. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As on March 31, 2018 Corporate Social Responsibility (CSR) Committee consist of following:

Mr. Naresh C. Oberoi- Chairman,
Mr. Prakash Gurav- Member
Mr. Ghanshyam Dass- Member.



The Corporate Social Responsibility Committee met Two times during the year under review. Committee Meetings were held on November 30, 2017 and March 21, 2018 was attended by requisite quorum.

The role of the CSR Committee is as under:

- a. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Companies Act, 2013 and rules thereunder.
- b. Recommend the amount of expenditure to be incurred on the activities as above, and
- c. Monitor the CSR Policy of the company from time to time. The Company has formulated the CSR Policy in line with Schedule VII of the Companies Act, 2013.

CSR Policy of the Company

Corporate Social Responsibility Policy is annexed to this Report as annexure 8.

The CSR activities shall be focused not just around the plants and offices of the company, but also in other geographies based on the needs of the communities. The key focus areas where special CSR activities would be executed are:

1. Promoting Education among children, women, elderly and to support especially non-profit organization working for disabled children from under privileged background.
2. Promoting Health care including preventive health care and eradicating hunger and malnutrition;
3. Employment and livelihood enhancing vocational skills and projects.

As per Section 135 of the Companies Act, 2013, and rules made thereunder, Company spent Rs. 11.68 Million towards Corporate Social Responsibility Activities, unspent amount is Rs. 9.30 Million from such fund of CSR, as management is in process of identifying the best and needy CSR Project.

33. EXTERNAL COMMERCIAL BORROWING:

During the year under the review, your Company has not availed any External Commercial Borrowings (ECB).

The Company had repaid the ECB from SCB of USD 20 Million in the month of March 2018.

As on March 31, 2018 the total outstanding's for External Commercial Borrowings of Standard Chartered Bank – USD 6.56 Million.





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34. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in ordinary course of business. There are no material significant related party transactions made by the Company which may have a potential conflict with the Interest of the Company at large and thus disclosure in Form AOC-2 is not required.

35. SHARE CAPITAL:

The paid up Equity Share Capital of the Company as on March 31, 2018 was Rs. 76,184,258/- (Seven Crores Sixty-One Lakh Eighty-Four Thousand Two Hundred and Fifty-Eight Only) divided into 38,092,129 (Three Crores Eighty Lakhs Ninety-Two Thousand One Hundred and Twenty-Nine) equity shares of face value of Rs. 2/- each (Rupees Two Only)

There have been no changes in the Equity Share Capital of the Company during the year.

36. Human Resources:

As on 31 March 2017, the Company has 1546 employees on its roll, including the 4 Executive Directors.

37. MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE DATE OF FINANCIAL STATEMENTS AND THE BOARD REPORT:

There have been no material changes & commitments affecting financial position between the date of financial statements and the board report.

38. SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.





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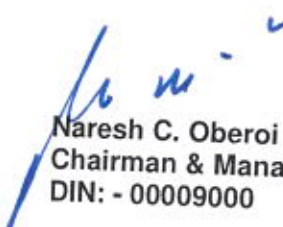
39. ACKNOWLEDGEMENTS:

The directors thank the Company's employees, customers, vendors, investors, Bankers and academic institutions for their continuous support.

The directors also thank the government of various countries, government of India, the governments of various states in India and concerned government departments / agencies for their co-operation.

The directors appreciate and value the contributions made by every member of Powerica Limited.

For and behalf of the Board of Directors of Powerica Limited


Naresh C. Oberoi
Chairman & Managing Director
DIN: - 00009000




Bharat Oberoi
Jt. Managing Director
DIN: - 00083664



Place: - Mumbai
Date: - May 24, 2018

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions:

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” (KMP) means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) Such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objectives:

The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.



Membership:

- a) The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- a) Minimum two (2) members shall constitute a quorum for the Committee Meeting.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

Functions of Committee:**Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee:**

- 1. Identify persons having the desired qualifications for becoming directors or for appointment into the senior management level and to recommend their appointment and / or removal to the Board.
- 2. Be responsible for evaluation of every director of Board of Directors.
- 3. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 4. Recommend to the Board of Directors (BOD), policy relating to remuneration of directors, KMP and other employees keeping in mind appropriate performance bench mark, striking a balance between fixed and incentive pay etc.;

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.



- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

Term/Tenure:

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company. They will be eligible for re-appointment for the second term based on recommendations of the Nomination and Remuneration Committee and subject approval of the Board and Shareholders.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in orbe associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act, to avoid non-compliance of any law/regulation in force.

EVALUATION:

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL:

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.



RETIREMENT:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL:

- 1) Remuneration to Managing Director / Whole-time Directors:
 - a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
 - b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
 - c) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors.)
- 2) Remuneration to Non- Executive / Independent Directors:
 - a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013.
 - b) All the remuneration of the Non- Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
 - c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
 - d) Any remuneration paid to Non-Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part



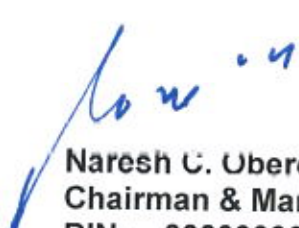
of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- i) The services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- 3) Remuneration to Key Managerial Personnel and Senior Management:
- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's policy.
 - b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
 - c) The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may delegate any of its powers to one or more of its members.

For and behalf of the Board of Directors of Powerica Limited


Naresh C. Oberoi
Chairman & Managing Director
DIN: - 00009000
Place: - Mumbai
Date: - May 24, 2018




Bharat Oberoi
Jt. Managing Director
DIN: - 00083664



Audit Committee

• **Constitution of Audit Committee**

The Audit Committee comprises of the following members:

- | | |
|-------------------------|--------------------|
| 1. Mr. Dinesh Kumar | Director |
| 2. Mr. Ghanshyam Dass | Director |
| 3. Mr. Krishen Dev | Director |
| 4. Mr. Prakash Gurav | Chairman |
| 5. Mr. Udai Dhawan | Nominee Director |
| Mr. Vibhav Parikh | Alternate Director |
| 6. Mr. Naresh C. Oberoi | As Invitee |

• **Terms of Reference/Functions**

Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, *inter alia*, include –

- i. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;
- iii. examination of the financial statement and the auditors' report thereon;
- iv. approval or any subsequent modification of transactions of the company with related parties;
- v. scrutiny of inter-corporate loans and investments;
- vi. valuation of undertakings or assets of the company, wherever it is necessary;
- vii. evaluation of internal financial controls and risk management systems;
- viii. monitoring the end use of funds raised through public offers and related matters.

• **Powers of the Audit Committee**

- i. to investigate into any matter falling within the ambit of its terms of reference or referred to it by the Board;
- ii. to obtain professional advice from external sources;
- iii. to have full access to information contained in the records of the Company.



- iv. to call for the comments of the auditors about internal control systems, the scope of audit, review of financial statements including observation of auditors etc. before their submission to the Board.
- v. to discuss any related issues with the internal and statutory auditors and the management of the Company.
- vi. To grant omnibus approval for related party transactions during the year, which shall include; name of parties, nature and duration of the transaction, maximum amount of transaction that can be entered into, the indicative base price or current contracted price and the formula for variation in the price, if any; any other information relevant or important for the Audit Committee take decision on the proposed transaction. Audit committee make omnibus approval for such transaction subject to value not exceeding rupees One Crore per transaction.

• **Vigil Mechanism**

- i. Powerica Limited, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.
- ii. The vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases:

Provided that the details of establishment of such mechanism shall be disclosed on the website, if any, and in the Board's Report of Powerica Limited.

• **Miscellaneous Provisions**

- i. The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
- ii. The Board's Report shall disclose the composition of an Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons therefore.



• **Quorum**

The quorum shall be either two members or one-third of the members of the Audit Committee, whichever is higher but there shall be a minimum of two independent members present.

Attendance of each Member of Audit Committee meetings during the year.

During the year 2017-18 the Committee met on four (4) occasions. The following table summarizes the date of each meeting and meetings attended by the members:

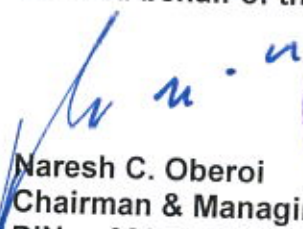
Sr. No.	Name of Director	June 27, 2018	September 4, 2017	November 30, 2017	March 21, 2018
1.	Mr. Ghanshyam Dass	A	N.A.	A	A
2.	Mr. Dinesh Kumar	A	A	A	A
3.	Mr. Krishen Dev	A	A	N.A.	A
4.	Mr. Prakash Y. Gurav	A	A	A	A
5.	Mr. Udai Dhawan / Mr. Vibhav Parikh	A	A	-	A

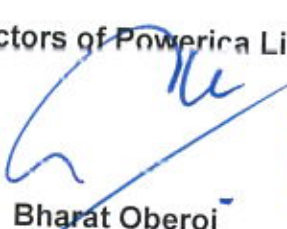
A = Attended

N.A. = Not Attended

Committee at its meeting held on May 24, 2018 reviewed the Annual Accounts for the year ended on 31st March, 2018.

For and behalf of the Board of Directors of Powerica Limited


Naresh C. Oberoi
 Chairman & Managing Director
 DIN: - 00009000
 Place: - Mumbai
 Date: - May 24, 2018


Bharat Oberoi
 Jt. Managing Director
 DIN: - 00083664

Annexure "3" to Directors' Report

Form No. AOC - 1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
(Pursuant to the first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part A - Subsidiaries

(Rs. In million)

Name of the Subsidiary Company	Nandurpathar Windfarm Limited	Paramount Windfarms Private Limited	Airpower Windfarms Private Limited (formerly known as Theni Wind Power Private Limited)	Vartaman Wind Energy Private Limited	Sovereign Windfarms Pvt Ltd.	Vespower Windfarms Pvt Ltd	Gooty Windfarms Pvt Ltd
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	April 1, 2017 to February 27, 2018	N.A.	July 1, 2017 to March 31, 2018	January 5, 2018 to March 31, 2018	November 7, 2017 to March 31, 2018
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Share Capital	22.00	9.98	-	2.50	0.10	0.10	0.10
Reserves & Surplus	-6.38	-2.10	-	-0.48	-0.64	-0.04	-0.09
Total Assets	19.85	8.00	-	19.11	4.56	0.37	0.05
Total Liabilities	4.24	0.12	-	17.09	5.10	0.38	0.04
Investments (Other than in subsidiaries and jointly controlled entities)	-	-	-	-	-	-	-
Turnover	-	-	-	-	-	-	-
Profit/ (Loss) before taxation	-0.93	-0.23	-0.34	-0.28	-0.64	-0.04	-0.09
Provision for taxation	-	-	-	-	-	-	-
Profit/ (Loss) after taxation	-0.93	-0.23	-0.34	-0.28	-0.64	-0.04	-0.09
Proposed Dividend	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%

For and behalf of the Board of Directors of Powers Limited


Nareish C. Oberoi
Chairman & Managing Director
DIN: 00009000


Bharat Oberoi
Jt. Managing Director
DIN: 00083664

Place: Mumbai

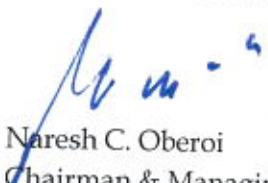
Date: May 24, 2018

Part B Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	Airpower Windfarms Private Limited (formerly known as Theni Wind Power Private Limited)
1. Latest audited Balance Sheet Date	31st March 2018
2. Date on which the Associate or Joint Venture was associated or acquired	February 28, 2018
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	125000
Amount of Investment in Associates or Joint Venture	1250000
Extent of Holding (in percentage)	50%
4. Description of how there is significant influence	N.A.
5. Reason why the associate/joint venture is not consolidated	N.A.
6. Networth attributable to shareholding as per latest audited Balance Sheet	0.61
7. Profit or Loss for the year	
i. Considered in Consolidation	-0.02
ii. Not Considered in Consolidation	-

For and behalf of the Board of Directors of Powerica Limited


 Naresh C. Oberoi
 Chairman & Managing Director
 DIN: 00009000




 Bharat Oberoi
 Jt. Managing Director
 DIN: 00083664



Place: Mumbai
 Date: May 24, 2018

Table - A:- Top 10 Employees in terms of Remuneration drawn during the year

Employee Name	Designation	Educational Qualification	Experience	Remuneration in Fiscal 2017 (in Millions)	Previous Employment & Designation
Bhola Tandon	Director - Marketing	B.Com	35 Years	6.64	Self Employed
Sam Amrolia	Director - Sales & Marketing	Under-Graduate	32 Years	6.35	Director in Powerica Sales and Services Private Limited
Sunil Kumar Khurana	Director - Projects	Bachelor's of Mechanical Engineering	48 Years	7.62	Mohamed Abdul Rahman Al-Bahar - a Caterpillar dealer in Gulf
T. B. Nedungadi	President - Bangalore Factory	Graduate	50 Years	6.36	Material Manager with Voltas
Shreekant Bhasin	Chief Executive Officer	B. Tech from IIT, M.S (Industrial Engineering), M.B.A (Marketing)	36 Years	6.33	Manager at Organo Rubber Industries
Vijay Kumar	Chief Financial Officer	CA, CS, CMA, LL.B, LL.M, M. Com, Graduate	31 Years	7.92	Quali Foods Limited
Padmanabhan Ramanathan	Senior Vice President	Diploma in Electrical Engineering	60 Years	5.87	Batliboi Limited
Anil Kumar Tyagi	Vice President	Bachelor's in Engineering	51 Years	6.61	Rai Prexim India Private Limited
Rajan Vahi	Senior Vice President	B. Sc., MBA	32 Years	5.94	Prime Focus Ltd. - CEO
Rajesh Tandon	Senior Vice President	Bcom, ICWAI	33 years	7.02	Partner at Powerica in 1985



Table - B:- Employees Drawn Remuneration of Rs. 1.02 crore or above per annum

Employee Name	Designation	Employment Type	Educational Qualification	Age	Experience	Date of Joining	Gross Remuneration in fiscal 2017 (in Millions)	Previous Employment & Designation
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

Table - C:- Employed for part of the year with an average salary of above Rs. 8.5 Lakh per month

Employee Name	Designation	Educational Qualification	Age	Experience	Date of Joining	Gross Remuneration in fiscal 2017 (in Millions)	Previous Employment & Designation
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

For and on behalf of POWERICA LIMITED



Place :- Mumbai

Date :- May 24, 2018

POWERICA LIMITED



A PROMISE FOR POWER

Regd. Office & Corp. Mktg. Office:
9th Floor, Bakhtawar,
Nariman Point,
Mumbai 400 021.

Tel +91 22 6656 2525
Fax +91 22 4315 2515
E-mail atp@powericaltd.com
Web www.powericaltd.com

CIN : U31100MH1984PLC032825

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U31100MH1984PLC032825
ii	Registration Date	May 4, 1984
iii	Name of the Company	Powerica Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	9th Floor, Bakhtawar, Nariman Point, Mumbai- 400021
vi	Whether listed company	NO
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited 247, Lal Bahadur Shastri Marg, Surya Nagar, Gandhi Nagar, Vikhroli (W) - 400083

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Dealing in Power Generating Set Business and Service Division.	27101	
2	Electricity Generation from Wind Turbine Generators.	35106	
3	Others.		

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NANDURPATHAR WINDFARM LIMITED	U40300MH2015PLC263258	SUBSIDIARY	100%	2(87)
2	PARAMOUNT WINDFARMS PRIVATE LIMITED	U40300MH2015PTC270223	SUBSIDIARY	100%	2(87)
3	VARTAMAN WIND ENERGY PRIVATE LIMITED	U40105GJ2013PTC077368	SUBSIDIARY	100%	2(87)
4	VESPOWER WINDFARM PRIVATE LIMITED	U74999MH2017PTC298318	SUBSIDIARY	100%	2(87)
5	SOVERIGN WINDFARMS PRIVATE LIMITED	U74999MH2017PTC295652	SUBSIDIARY	100%	2(87)
6	GOOTY WINDFARMS PRIVATE LIMITED	U74999MH2017PTC301520	SUBSIDIARY	100%	2(87)
7	AIRPOWER WINDFARMS PRIVATE LIMITED	U40300MH2016PTC272791	ASSOCIATE	50%	2(6)



Offices at : Ahmedabad, Aurangabad, Bangalore, Chennai, Coimbatore, Goa, Gurgaon, Hospet, Hubli, Kochi, Kolhapur, Madurai, Nagpur, Nashik, Navi Mumbai, Pune, Secunderabad, Thane, Vijayawada, Visakhapatnam.



REGISTERED TO
ISO 9001-2008

IV

SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

X	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	5,476,000	5,294,808	10,770,808	28.28	5,476,000	5,294,808	10,770,808	28.28	-
b) Central Govt. or State Govt.									
c) Bodies Corporates									
d) Bank/FI									
e) Any other- Relatives of Promoter	17,443,825	5,092,194	22,536,019	59.16	17,443,825	5,092,194	22,536,019	59.16	-
SUB TOTAL (A) (1)	22,919,825	10,387,002	33,306,827	87.44	22,919,825	10,387,002	33,306,827	87.44	-
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)									
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	22,919,825	10,387,002	33,306,827	87.44	22,919,825	10,387,002	33,306,827	87.44	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt.									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS	204,845	NIL	204,845	0.54	204,845	NIL	204,845	0.54	-
h) Foreign Venture Capital Funds	614,538	NIL	614,538	1.61	614,538	NIL	614,538	1.61	-
i) Others (specify) FDI	3,640,705	NIL	3,640,705	9.56	3,640,705	NIL	3,640,705	9.56	-
SUB TOTAL (B)(1):	4,460,088	NIL	4,460,088	11.71	4,460,088	NIL	4,460,088	11.71	-
(2) Non Institutions									
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	NIL	2,799	2,799	0.01	NIL	2,799	2,799	0.01	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	NIL	322,415	322,415	0.85	NIL	322,415	322,415	0.85	-
c) Others (specify)									
SUB TOTAL (B)(2):	NIL	325,214	325,214	0.85	-	325,214	325,214	0.85	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	4,460,088	325,214	4,785,302	12.56	4,460,088	325,214	4,785,302	12.56	-
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	-
Grand Total (A+B+C)	27,379,913	10,712,216	38,092,129	100	27,379,913	10,712,216	38,092,129	100	-



(ii) SHARE HOLDING OF PROMOTERS



Sl. No.	Shareholders Name	Shareholding at the Beginning of the year			Shareholding at the end of the year			No change in share holding during the year
		No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Nareesh Chander Oberoi	5,476,000	14.38	-	5,476,000	14.38	-	-
2	Kharati Ram Puri	5,294,808	13.90	-	5,294,808	13.90	-	-
	Total	10,770,808	28.28	-	10,770,808	28.28	-	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	10,770,808	28.28	10,770,808	28.28
	Date wise Increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/swe at equity etc)				
	At the end of the year	10,770,808	28.28	10,770,808	28.28

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl.No	Name	Shareholding at the end of the year		Date	Increase/decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of 01.04.2017/ end of the year 31.03.2018	% of total shares of the company				No of shares	% of total shares of the company
1	T.B. Nedungadi	322,415	0.85				322,415	0.85
2	Sunil K. Khurana	2,799	0.01				2,799	0.01
3	Standard Chartered Private Equity (Mauritius) III Limited	614,538	1.61				614,538	1.61
4	Standard Chartered Private Equity (Mauritius) III Limited	204,845	0.54				204,845	0.54
5	Marina West (Singapore) Pte. Ltd.	3,640,705	9.56				3,640,705	9.56

(v) Shareholding Pattern of Directors and KMP (other than promoters)

Sl.No	Name	Shareholding at the end of the year		Date	Increase/decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of 01.04.2017/ end of the year 31.03.2018	% of total shares of the company				No of shares	% of total shares of the company
1	Bharat Oberoi	17,902,302	47.00				17,902,302	47.00
1	Renu Oberoi	4,633,717	12.16				4,633,717	12.16



V INDEBTEDNESS



A PROMISE FOR POWER

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits (Rs. In Million)	Unsecured Loans	Deposits	Total Indebtedness (Rs. In Million)
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,967.65			1,967.65
ii) Interest due but not paid				
iii) Interest accrued but not due	11.84			11.84
Total (i+ii+iii)	1,979.49			1,979.49
Change in Indebtedness during the financial year				
Additions	169.64			169.64
Reduction	1,576.03			1,576.03
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	573.10			573.10
ii) Interest due but not paid				
iii) Interest accrued but not due	2.93			2.93
Total (i+ii+iii)	576.03			576.03

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTM/Manager				Total Amount (Rs. In Million)
1	Gross salary	Naresh Chander Oberoi	Bharat Naresh Oberoi	Renu Naresh Oberoi	Pradeep Gupta	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	60.07	48.07	12.00	12.97	133.11
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.83	0.44	0.25	0.04	1.55
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock option					
3	Sweat Equity					
4	Commission as % of profit					
	others (Provident Fund)					
5	Others, please specify	3.01	2.41	0.02	0.02	5.46
	Total (A)					
	Ceiling as per the Act	63.91	50.91	12.27	13.04	140.13



B. Remuneration to other directors: (Rs. In Million)

Sl.No	Particulars of Remuneration	Name of the Directors							Total Amount
		Independent Directors				Nominee Director		Non-Executive Director	
		Dinesh Kumar	Prakash Gurav	Ghanshyam Dass	Krishen Dev	Veena Thadhani	Udai Dhawan	Vibhav Parikh (Alternate Director to Mr. Kharati Ram Puri)	
1	Independent Directors								
	(a) Fee for attending Board and Committee Meetings	0.18	0.22	0.16	0.16	0.00			
	(b) Commission	0.54	0.54	0.54	0.54				0.72
	(c) Others,								2.15
	Total (1)	0.72	0.76	0.70	0.70				
2	Other Non Executive Directors								
	(a) Fee for attending								2.87
	(b) Commission					0.06	0.10	0.10	0.36
	(c) Others, please specify.								
	Total (2)					0.06	0.10	0.10	0.36
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961								
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961								
	Total (B)=(1+2)	0.72	0.76	0.70	0.70				
	Total Managerial Remuneration	0.72	0.76	0.70	0.70	0.06	0.10	0.10	3.23
	Overall Ceiling as per the Act.					0.06	0.10	0.10	3.23



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

A PROMISE FOR POWER

Sl. No.	Particulars of Remuneration			Key Managerial Personnel			Total Amount (Rs. In Million)
1	Gross Salary			CEO (Shreekant Bhasin)	Company Secretary	CFO (Vijay Kumar)	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.			6.31	1.59	7.91	15.81
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961			0.03		0.03	0.06
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961						
2	Stock Option						
3	Sweat Equity						
4	Commission as % of profit						
	others, specify						
5	Others, (Provident Fund)			0.35	0.02	0.44	0.81
	Total			6.69	1.61	8.37	16.68





A PROMISE FOR POWER

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and behalf of the Board of Directors of Powerica Limited


Naresh C. Oberoi
Chairman & Managing Director
DIN:- 00009000




Bharat Oberoi
Jt. Managing Director
DIN:- 00083664



Place: Mumbai
Date: May 24, 2018

Risk Management Policy of Powerica Limited

- **Introduction :**

The purpose of Risk Management Policy is to identify potential problems before they occur so that risk-handling activities may be planned and invoked. Company's Risk Management Policy endeavors to protect the interest of all the stake holders of the Company.

- ❖ **The aim of risk management of the Company is to:**

- systematically and thoroughly identify and assess all major risks, which threaten the achievement of objectives, including risks related to business operations, property, agreements, competence, currencies, financing and strategy;
- optimize business opportunities and secure continuation of business;
- recognize and identify uncertainties and subsequently develop the prediction of risks and measures needed to manage risks;
- take only calculated and assessed risks with respect to e.g. expanding the business, increase market share and creating new businesses;
- avoid or minimize liability risks;
- ensure the safety of products, solutions and services;
- establish a safe working environment for the employees;
- minimize possibilities for unhealthy occurrences, crimes or misconduct by operating procedures, control and supervision;
- inform interest groups of risks and risk management and
- be cost effective in risk management.

- ❖ **Key Risks of Powerica Limited**

1. **Interest Rate Risk**

Company is exposed to interest rate fluctuation on its borrowings. It uses a judicious mix of fixed and floating rate debts within the stipulated parameters. Company continuously monitors its interest rate exposures.

Cont....2



2. Commodity Risk

Company is exposed to risks in respect of the price availability of certain raw materials, which are used as key inputs in Company production process. Historically, as a practice, Company has passed on an increase in the cost of metals, especially steel, to its customers. However, Company's cash flows may still be adversely affected because of any gap in time between the date of procurement of those primary raw materials and the date on which we can respect the prices for our customers to account for the increase in the price of such raw materials.

3. Credit Risk

Company is exposed to credit risk on funds owed to it by its customers. If Company's customers do not pay promptly or at all, Company may have to make provisions for or write off such amounts.

4. Foreign Exchange Risk

Company is exposed to risks arising from foreign exchange currency fluctuations for its External commercial borrowings and capital goods imports.

5. Inflation Risk

In recent years, India has begun to experience significant inflation. The Government of India has intimated several economic measures to curb the rise in inflation rates. Company cannot assure its stake holders that these measures will have the desired effect.

6. Dependence on a Single Supplier for Certain Components

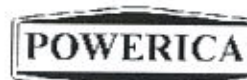
Company is dependent substantially on Cummins India Limited for major components of our diesel generator sets and MAN B & W, Denmark for HFO generator sets.

7. Seasonality of Business

Company's revenue and results may be affected by seasonal factors like inclement weather, including during the monsoon season, may delay or disrupt production and shipment of goods. Goods rains in the country also affects the demand of the Company's product.

Cont....3





-3-

8. Business Concentration Risk

The Company derives major portion of its revenue from few geographical regions in India, saturation of demand from these regions will impact the business and revenue. Currently Powerica Limited has its operations only in India. In addition due to contractual obligations it cannot enter all the geographical regions of the country.

9. Company's success is significantly depend on the expertise, experience and continued efforts of its key management and other personnel. The future performance may be affected by any disruption in the continued service of these persons.

Risk Management Approach

Board of Directors of Powerica Limited regard managing the risks that its businesses as a fundamental activity, as they influence the Company's performance, reputation and future success. Effective risk management involves taking an integrated and balance approach to risk and reward, and enables us to both increase financial growth opportunities and mitigate potential loss or damage. Mitigation and optimization strategies are of equal importance and need to be effective aligned and integrated.

The areas evaluated by the Board in the course of its evaluation are as follows:

1. The Board discusses and evaluates management's corporate strategy and understands the Company's strategic and operating plans.

Cont....4



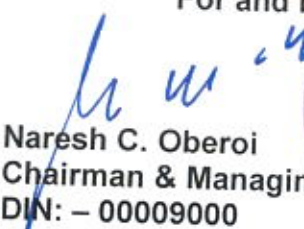
2. The Board understands the industries in which the Company operates and implications of competitive factors and current general economic and political trends to those businesses.
3. The Board monitors Company performance with peer company financial performance and with industry and other relevant comparative data.
4. The Board through its Audit Committee or otherwise, evaluates the Company's development funding and performance and level of commitment.
5. The Board evaluates the Company's acquisition and divestiture strategy, and reviews management's activities in these areas.
6. The Board reviews proposed acquisitions/divestitures and capital expenditures meeting certain thresholds.
7. The Board reviews the Company's capital structure, including debt or equity financing.
8. The Board reviews the Company's (i) investment of cash and cash equivalents, and (ii) dividend policy and take appropriate action.
9. The Board reviews the funding levels of, and Company contributions to, the Company's retirement plan and the investment allocations and investment performance relating to such funds.
10. The Board reviews and adopts annual capital and operating budgets and monitors Company performance against them.
11. The Board, through its Audit Committee or otherwise reviews the adequacy of existing accounting and financial controls and the Company's public disclosures and oversees ethical conduct and legal compliance by the Company.
12. The Company keeps directors adequately informed of changes in applicable laws, rules and regulations, as well as current trends and best practices in corporate governance.
13. The Board through its Committees or otherwise, review the Company's employment practices.
14. The Board, through its Committees or otherwise reviews the operation and strategic direction of the Company's environment, health and safety function and the regulatory affairs function.
15. The Board evaluates and reviews the performance of the Chief Financial Officer.

Cont....5

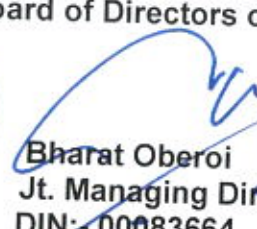


16. Management apprises the Board from time to time its crisis management preparedness.
17. The Board through its Audit Committee or otherwise, reviews senior management development and compensation and considers the correlation between compensation levels and Company's performance.
18. The Board encourages and ensures open and candid lines of communication between Board members and between the Board and senior management.
19. Chairman adequately follows up on goals, expectations and concerns communicated by the Board.
20. The Board through its Audit Committee or otherwise monitors the Company's overall relations with its associates, including the Company's compensation and benefits policies

For and behalf of the Board of Directors of Powerica Limited


Naresh C. Oberoi
Chairman & Managing Director
DIN: - 00009000




Bharat Oberoi
Jt. Managing Director
DIN: - 00083664



Place: - Mumbai
Date: - May 24, 2018



POWERICA LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY



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1. Context

Powerica Limited seeks to be a good corporate citizen in all aspects of its operations and activities. Corporate Social Responsibility (CSR) has always been carried out by the Company in the areas in which it operates.

Pursuant to Section 135 of the Companies Act, 2013, and Companies (Corporate Social Responsibility Policy) and Rules, 2014, Board of Directors vide its resolution dated June 14, 2014 has constituted Corporate Social Responsibility Committee.

- CSR Committee so constituted formulated policy on Corporate Social Responsibility Committee (CSR Policy) and recommended the same to the Board of Directors for its approval. The Board vide its resolution dated November 30, 2015 re-approved and adopted CSR Policy with immediate effect.

1.1 Objectives of the Policy:

This Policy shall be read in line with Section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibilities Policy) Rules, 2014 and such other rules, regulations, circulars, and notifications (collectively referred herein after as 'Regulation') as may be applicable and as amended from time to time and will, inter-alia include for the following namely:

- a list of CSR projects or programmers which a Company plans to undertake falling within the pervue of the Schedule VII of the Act, specifying formalities of execution of such project or programs and implementation schedule for the same; and
- monitoring process of such projects or programs

The provision of CSR activities does not include the activities undertaken in pursuance of normal course of business of a Company.

The provision the Board of Directors shall ensure that activities included by a company in its Corporate Social Responsibilities Policy are related to the activities included in Schedule VII of the Act.

- The CSR Policy of the company shall specify that the surplus arising out of the CSR Projects or programs or activities shall not form part of the business profit of a company.



1.2 Definitions

In this policy unless the context otherwise requires:

- a) "Act" means Companies Act, 2013
- b) "Corporate Social Responsibility means Corporate Social Responsibility (CSR) as defined in Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibilities Policy) Rules, 2014
- c) "Ministry" means Ministry of Corporate Affairs.
- d) "Net Profit" means Net Profit as defined in Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibilities Policy) Rules, 2014
- e) Words or expression used in this CSR Policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.

1.3 CSR Activities

The CSR Policy is a commitment to support initiatives that shall improve the lives of underprivileged by channelizing the resources of the Company in areas notified under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibilities Policy) Rules, 2014 and its amendments as notified from time to time.

- 1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.
- 2. Promoting education among children, women, elderly and to support specially non- profit and non-religious organization working for disabled children from underprivileged background so that these children grow up to financially independent citizens.
Provide scholarship for girls, merit scholarship and technical education for boys.
- 3. Promoting gender equality and empowering women by focusing on educating the girl child and the underprivileged by providing appropriate infrastructure and groom them as future value creators.
- 4. Reducing child mortality and improving maternal health by supporting hospitals having good and clean facilities and distributing medicines for children and mother.



5. Ensuring environmental sustainability by adopting best ecological practices and encouraging conservation / judicious use of natural resources.
6. Supporting recognized Research Institutions and recognized non-government organizations which are combating human immunodeficiency virus, acquires immune deficiency, syndrome, malaria and other diseases and creating awareness of the human immunodeficiency virus, acquires immune deficiency syndrome, malaria and other diseases.
7. Employment enhancing vocational skills;
8. Rural development projects.
9. Protection of national heritage, art & culture including restoration of buildings & sites of historical importance.
10. Contribution to the Prime Minister's National Relief Fund or any other fund up by the Central Government or State Government for socio-economic development and relief and funds for welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
11. Contribution to Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation.
12. Contribution to Clean Ganga Fund set-up by the Central Government for rejuvenation of River Ganga.

CSR activities shall be undertaken as projects, programs of activities (either new or ongoing) excluding activities undertaken in pursuance of normal course of business of the Company.

1.4 The Geographic reach

The Act provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility. Accordingly the Company will thus give preference to conducting CSR activities in the states in India wherein the Company has/will have its operations.

2. CSR Committee

The CSR Committee will consist of three directors, out of which two directors are Independent Directors.



The Committee will meet at least twice in a year to discuss and review CSR activities and Policy. A quorum of two members is required to be present for the proceedings to take place. Such other meetings of the Committee can be convened as and when deemed appropriate. The Committee Members may attend meeting physically or via such other audio visual means as permitted under the Act. The Committee shall have the authority to call such employee(s), senior official(s) and or externals, as it deems fit. The Company Secretary shall act as Secretary to the Committee.

2.1 Committee Members

- a) The Committee shall comprise at least three (3) Directors and at least one shall be Independent
- b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- c) Minimum two (2) members shall constitute a quorum for the Committee Meeting.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

Procedures

3.1 Funding:

- i. As per Companies Act, 2013 and Companies (Corporate Social Responsibilities Policy) Rules, 2014 at least two per cent of the average net profits of the Company made during the three immediately preceding financial years.
- ii. All reasonable efforts will be made to ensure that the annual CSR allocation is fully utilized in the respective year. However, if the Company fails to spend such amount, the Board of Directors shall, in its reports under clause (o) of sub-section (3) of Section 134 of the Act, shall specify the reasons for not spending the amount.
- iii. Annexure I contains the details of the proposed expenditure for respective financial year towards CSR activities. The same shall be annexed annually according to the Financial Year after review by the Committee or at such time, as the Committee may deem fit.
- iv. Tax treatment of CSR spend will be in accordance with Income Tax Act, 1961 as may be notified by Central Board of Direct Taxes (CBDT)



3.2 Planning

- 1) CSR Committee in consultation of the Board of Directors of the company will identify suitable projects for implementation in line with the objectives of the Company and requirements laid down under the Regulations. These projects would be executed either directly by the Company and /or through CSR Partner(s).
- 2) If the Company decided to set up a Trust or Section 8 Company or Society or Foundation or any other form of entity operating within India to facilitate implementation of its CSR activities in accordance with its stated CSR Policy, the following shall apply:
 - a. The Company would need to specify the projects/programs to be undertaken by such organization, for utilizing funds provided by it.
 - b. The Company shall establish a monitoring mechanism to ensure that allocation is spent for the intended purpose only.
- 3) The Company may also conduct/implement its CSR programmes through Trusts, Societies or Section 8 Companies operating in India, which are not set up by the Company itself, herein collectively referred to as "CSR Partner" or "CSR Partner(s)."
- 4) Such spends may be included as part of its prescribed CSR spend only if such organizations have established track record of atleast three years in carrying on activities in related areas.
- 5) Company may collaborate or pool resources with other companies to undertake CSR activities within India. Only activities which are not for the benefit of employees of the Company or their families shall be considered as CSR activity.

3.3 Criterion for CSR Partners and Agreement

1. CSR Partner(s) organizations who would execute the projects at the grass root level shall meet the following criteria:
 - a. The CSR Partner(s) has a permanent office/address in India;
 - b. The CSR Partner(S) is a Trusts, Societies or Section 8 Company having an established track record of three years in undertaking similar CSR programs or projects in pursuance with the relevant regulations;
 - c. Possesses a valid Income Tax Exemption Certificate.
 - d. The antecedents of the CSR Partner are verifiable.
 - e. Have requisite framework to report progress/status of the projects on a quarterly basis on agreed parameters.



- f. Maintain a required level of auditable records on the CSR initiatives conducted in conjunction with Powerica Limited as agreed mutually
2. Once the project/ program is approved, Powerica Limited and the CSR Partner will be required to enter into an agreement as per standard MOU requirements.

The indicative partners and the extant philanthropic initiatives form part of this policy as Annexure I. The Committee is authorized to add to these partners and programmes there under for undertaking CSR activities hereunder.

3.4 Review and Reporting

The CSR Committee will review the philanthropic activities of the Company and will provided progress update to the Board of Directors every six months/such other intervals as deemed fit.

The Company will report, in the prescribed format as set out herein as Annexure II, the details of CSR initiatives and activities of the Company in the Directors' Report and on the website of the Company, as required under Regulations. Such Reporting will be done pertaining to financial year(s) commencing on or after 1st day of April 2014.

4. Monitoring

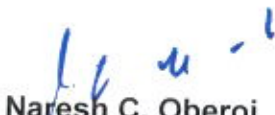
1. Appropriate documentation and amendments of the CSR Policy, annual CSR activities, reports on execution by CSR Partner(s) and expenditures will be undertaken on a regular basis and same will be available to the Board of Directors of the Company.
2. Initiatives undertaken on the CSR front will be reported in the Annual Report of the Company.
3. The CSR Committees and persons / entities authorized by it, will conduct due diligence checks on the current projects / partners on a quarterly basis and report anomalies, if any, immediately.
4. Based on analysis of current projects, carry out roadmap planning for allocation of budget and selection of projects. The same will be done at least once in a financial year.
5. Plan and publish an annual calendar of major events so as strive for maximum participation of stakeholders.



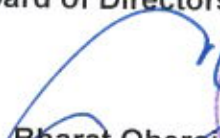
5. Amendments to the Policy

The Board of Directors on its own and/or as per the recommendations of CSR Committee can amend this Policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/ amendment in accordance with the Regulations on the subject as may be issued from relevant statutory authorities, from time to time.

For and behalf of the Board of Directors of Powerica Limited


Naresh C. Oberoi
Chairman & Managing Director
DIN: - 00009000
Place: - Mumbai
Date: - May 24, 2018




Bharat Oberoi
Jt. Managing Director
DIN: - 00083664



Annexure to the CSR Committee Meeting						
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Manner in which the amount spent the period ended March 31, 2018.		Cumulative expenditure till the reporting period (Amt in Rs.)	Amount spent through direct or through implementing agency
			Location of project (State & District)	Amount outlay (Amt in Rs.)		
1	Promotion of education including special education	Education	Bangalore- Construction of Building for imparting training	14,85,000	1485000	Direct
2	Promotion of education including special education	Education	Bangalore- Construction of Building for imparting training	1,723,056	3,208,056	Direct
3	Promotion of education including special education	Education	Bangalore- Construction of Building for imparting training	1,396,558	4,604,614	Direct
4	Promotion of education including special education	Education	Bangalore- Construction of Building for imparting training	1,300,781	5,905,395	Direct
5	Promotion of education including special education	Education	Bangalore- Construction of Building for imparting training	1,874,878	7,780,273	Direct
6	Promotion of education including special education	Education	Aurangabad - Rehabilitation of differently able kids in the society	300,000	8,080,273	Direct
7	Promoting Gender Equality and Empowering Women	Gender Equality	Aurangabad - working with Less Privileged women for Health, Entrepreneurship, Skill and Leadership Development	300,000	8,380,273	Direct
8	Promotion of employment enhancing vocational skills	Vocational Skills	Harukana (BPT) slums, Facy Road, Mumbai	3,297,473	11,677,746	Direct
			Total		11,677,746	



Calculation of Corporate Social Responsibility				
		Financial Year		
		2015-16	2016-17	2017-18
	Profit Before Tax	943,555,406	1,354,038,287	1,153,449,168
Less	Managerial Remuneration	(92,135,901)	(52,704,118)	(88,370,915)
Less	Commission	---	(51,754,349)	(19,272,557)
	Profits	851,419,505	1,249,579,820	1,045,805,696
	Average Profit	620,515,133	850,699,114	1,048,935,007
	CSR @ 2%	12,410,303	17,013,982	20,978,700
	Amount Spent	1,750,000	2,464,512	11,677,746
	Accumulated / Carried Forward CSR to be spent	25,022,855	39,572,325	48,873,279

For and on behalf of Board of Directors of Powerica Limited



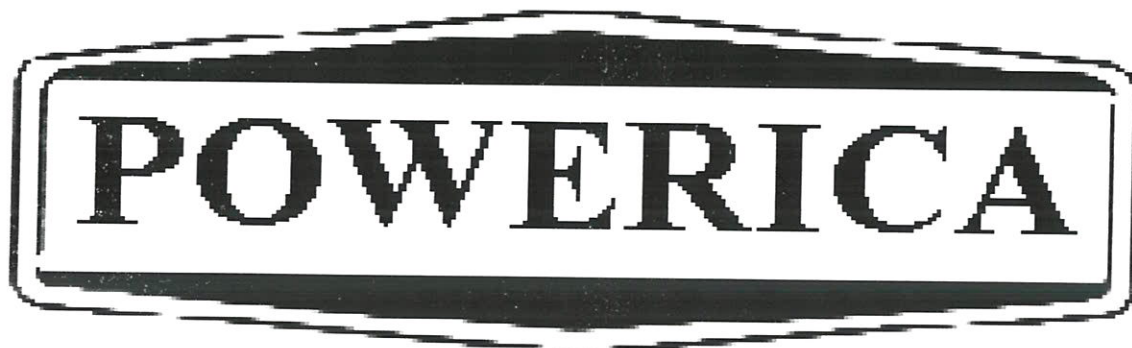
Naresh C. Oberoi
Chairman & Managing Director
DIN:- 00009000



Bharat Oberoi
Jt. Managing Director
DIN:- 00083664

Place:- Mumbai

Date:- May 24, 2018



STANDALONE FINANCIALS

FOR THE YEAR ENDED

31ST MARCH, 2018

POWERICA LIMITED

A PROMISE FOR POWER

INDEPENDENT AUDITOR'S REPORT

To The Members of Powerica Limited

Report on Standalone Indian Accounting Standards ('Ind AS') Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **POWERICALIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2018**, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended 31st March, 2017 included in these standalone Ind AS financial statements, are based on previously issued standalone financial statements audited by predecessor auditor whose report for the year ended 31st March, 2017 dated 4th September, 2017 expressed an unmodified opinion on those standalone financial statements.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in exercise of powers conferred by section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) we have sought and 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;



- c) the Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under;
- e) on the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) with respect to internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- the Company has disclosed the impact, if any, of pending litigations as at 31st March, 2018, on its financial position in its standalone Ind AS financial statements – Refer Note 38 to the standalone Ind AS financial statements;
 - the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
 - there is no amount, required to be transferred, to the Investor Education and Protection Fund by the Company and



For Jayantilal Thakkar & Co.
Chartered Accountants
(Firm Reg. No. 104133W)

V. A. Merchant

Viral A. Merchant
Partner
Membership No. 116279

Mumbai,
Dated: 24th May, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in para 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **POWERICA LIMITED** on the standalone Ind AS financial statements for the year ended 31st March, 2018)

- 1) In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except for additions made in current year for which the Company is in the process of compiling records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management during the year as per the phased programme which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. We are informed that there were no discrepancies noticed on such verification compared with memorandum of records.
 - c) According to the information and explanation given to us, the title deeds of immovable properties of the Company are held in the name of the Company.
- 2) According to the information and explanation given to us, the inventories have been physically verified by the management at reasonable intervals during the year except for stocks in transit. The discrepancies noticed on such physical verification between physical stock and book records were not material and have been adequately dealt with in the books of account.
- 3) According to the information and explanations given to us, the Company has granted an unsecured loan to three wholly owned subsidiaries and one associate covered under Section 189 of the Act.
 - a) The terms and conditions on which loan has been granted to the borrower company covered under Section 189 of the Act is not, prima facie, prejudicial to the interest of the Company.
 - b) The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and /or receipts of interest have been regular as per stipulations.
 - c) There was no overdue amount outstanding as at the year-end in respect of the said loan.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013.
- 5) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits as per directives issued by the Reserve Bank of India under the provisions of section 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.



6) We have broadly reviewed the books of account and records maintained by the Company pursuant to the Order made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of diesel power generating sets, its components, accessories etc and windmill projects and are of the opinion that prima facie, the prescribed records and accounts have been maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate and complete.

7) According to the information and explanations given to us in respect of statutory and other dues:

a) Except in few cases where there have been delays, the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues applicable to it with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears, as at 31st March, 2018 for a period of more than six months from the date they became payable.

b) There are no unpaid disputed amounts in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax and Cess during the year except the followings:

Name of the statute	Nature of the Dues	Amount (₹ in Million)	Period to which amounts relate (Financial Year)	Forum where dispute is Pending
Central Excise Act, 1944	Excise Duty	3.20	2006-2007 to 2009-2010	Commissioner of Central Excise (Appeals)
Service Tax Act, 1994	Service Tax	0.06	2004-2005	Assistant Commissioner
		0.26	2005-2006	

8) Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks. The Company has neither outstanding debenture at the beginning of the year nor has issued any debentures during the year.

9) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer and has not taken any term loan during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.



- 10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- 11) In our opinion and according to the information and explanation given to us, the managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- 12) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- 13) The company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Companies Act, 2013. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required under Ind AS 24 "Related Party Disclosure" specified under section 133 of the Act read with relevant rules thereunder.
- 14) According to the information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- 15) In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- 16) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.



For Jayantilal Thakkar & Co.
Chartered Accountants
(Firm Reg. No. 104133W)

V. A. Merchant

Viral A. Merchant
Partner
Membership No. 116279

Mumbai,
Dated: 24th May, 2018

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in para 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of POWERICA LIMITED on the Standalone Ind AS financial statements for the year ended 31st March, 2018.)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of POWERICA LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. Those Standards and the above mentioned Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an internal financial controls with reference to financial statements over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.



For Jayantilal Thakkar & Co.
Chartered Accountants
(Firm Reg. No. 104133W)

V. A. Merchant

Viral A. Merchant
Partner
Membership No. 116279

Mumbai,
Dated: 24th May, 2018

POWERICA LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2018

	Note No.	₹ in Million	
		As at	
		31.03.2018	31.03.2017
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	6	6,706.60	7,514.86
Capital Work-in-Progress	6	155.40	68.88
Investment Property	6	-	4.08
Intangible Assets	6	30.67	12.76
Financial Assets:			
Investments	7	865.37	1,297.80
Loans	8	3.74	4.30
Other Financial Assets	9	36.26	33.79
Non-Current Tax Assets (Net)		92.00	40.49
Other Non-Current Assets	10	433.19	185.02
		8,323.23	9,161.98
Current Assets:			
Inventories	11	1,123.52	1,106.98
Financial Assets:			
Investments	12	521.10	922.95
Trade Receivables	13	1,904.13	1,734.20
Cash and Cash Equivalents	14	64.09	389.74
Other Bank Balances	15	12.07	12.60
Loans	16	77.82	16.68
Other Financial Assets	17	117.29	64.24
Other Current Assets	18	549.12	250.04
		4,369.14	4,497.43
Total Assets		12,692.37	13,659.41
Equity and Liabilities:			
Equity:			
Equity Share Capital	19	76.18	76.18
Other Equity		9,263.03	8,264.69
		9,339.21	8,340.87
Liabilities:			
Non-Current Liabilities:			
Financial Liabilities:			
Borrowings	20	172.91	403.46
Other Financial Liabilities	21	3.06	2.79
Other Non-Current Liabilities	22	224.10	235.58
Provisions	23	37.74	30.47
Deferred Tax Liabilities (Net)		186.44	303.67
		624.25	975.97
Current Liabilities:			
Financial Liabilities:			
Borrowings	24	169.64	1,000.00
Trade Payables	25	1,443.98	1,257.59
Other Financial Liabilities	26	447.08	1,104.52
Other Current Liabilities	27	651.38	665.23
Provisions	28	16.83	15.23
		2,728.91	4,342.57
Total Equity & Liabilities		12,692.37	13,659.41

The accompanying notes are integral part of these financial statements

As per our report of even date

For Jayantilal Thakkar & Co.

Chartered Accountants

V.A. Merchant

Viral A. Merchant
Partner



For and on Behalf of the Board

Naresh C. Oberoi
Naresh C. Oberoi
Chairman & Managing Director
DIN: 00009000

Vijay Kumar
Vijay Kumar
Chief Financial Officer

Bharat Oberoi
Bharat Oberoi
Jt. Managing Director
DIN: 00083664

Komal
Mrs. Komal Nagdev
Company Secretary

Mumbai, 24th May, 2018

POWERICA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Note No.	₹ in Million	
		Year Ended	Year Ended
		31.03.2018	31.03.2017
Income			
Revenue from Operations	29	12,630.79	14,062.92
Other Income	30	326.76	343.01
		12,957.55	14,405.93
Expenses:			
Cost of Raw Materials Consumed	31	7,305.55	7,889.94
Purchase of Stock-In-Trade	32	799.85	774.19
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	-24.89	60.73
Excise Duty on Sales		253.96	991.58
Employee Benefit Expense	34	979.90	955.08
Finance Cost	35	101.23	221.91
Depreciation & Amortization Expense	36	889.20	891.36
Other Expenses	37	1,520.71	1,324.59
		11,825.51	13,109.38
Profit Before Tax		1,132.04	1,296.55
Tax Expense			
Current Tax	52	255.11	262.89
Deferred Tax Charge (Credit)	52	-112.88	-145.49
MAT Credit Entitlement		-0.93	-31.57
MAT Credit Entitlement of Earlier Years Written Back (Off)		-4.88	-
Profit for the Year		995.62	1,210.72
Other Comprehensive Income			
Other Comprehensive Income to be reclassified to profit or loss in subsequent years:		-	-
Other Comprehensive Income not to be reclassified to profit or loss in subsequent years:			
Re-measurement gains (losses) on defined benefits plans		4.16	-8.66
Income Tax Effect on above		-1.44	3.00
Net other Comprehensive Income not to be reclassified to profit or loss in subsequent years		2.72	-5.66
Other Comprehensive Income for the year, net of tax		2.72	-5.66
Total Comprehensive Income for the year, net of tax		998.34	1,205.06
There are no Exceptional Items and Discontinuing Operations			
Earning per share of Face Value of ₹ 2/- each			
Basic & Diluted (₹)	39	26.21	30.07

The accompanying notes are integral part of these financial statements

As per our report of even date

For Jayantilal Thakkar & Co.

Chartered Accountants

For and on Behalf of the Board

Viral A. Merchant

Partner



Naresh C. Oberoi
Chairman & Managing Director
DIN: 00009000

Vijay Kumar
Chief Financial Officer

Bharat Oberoi
Jt. Managing Director
DIN: 00083664

Mrs. Komal Nagdev
Company Secretary

Mumbai, 24th May, 2018

POWERICA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	31.03.2018 ₹ in Million	31.03.2017 ₹ in Million
A Cash flows from Operating Activities		
Net Profit before Tax	1,132.04	1,296.55
Adjustments for:		
Depreciation	889.20	891.36
Net (Gain) Loss on Sale of Property, Plant and Equipments	(108.98)	(26.54)
Net (Gain) Loss on Sale of Investment Properties	(5.30)	(3.16)
Dividend from Current Investments	(0.01)	(0.09)
Sundry Balances Written off (Back)	12.03	2.05
Provision for Doubtful Debts	(3.34)	0.26
Net (Gain) Loss on Financial Assets measured at FVTPL	(99.85)	(214.97)
Net (Gain) Loss on Derivative Contracts measured at FVTPL	(3.09)	(13.08)
Unrealised Foreign Variation Loss (Net)	1.48	(94.89)
Interest Expense	101.23	221.91
Interest Income	(87.09)	(48.32)
Operating Profit before Working Capital Changes	1,828.32	2,011.08
Adjustments for:		
Decrease (Increase) in Trade Receivable	(175.72)	(60.94)
Decrease (Increase) in Other Non-Current Financial Assets	(1.90)	0.42
Decrease (Increase) in Other Non-Current Assets	4.07	(2.29)
Decrease (Increase) in Other Current Financial Assets	2.41	1.58
Decrease (Increase) in Other Current Assets	(301.67)	291.21
Decrease (Increase) in Inventories	(16.54)	67.24
Increase (Decrease) in Other Non-Current Financial Liabilities	0.27	1.30
Increase (Decrease) in Other Non-Current Liabilities	(11.48)	235.58
Increase (Decrease) in Other Current Financial Liabilities	(23.06)	25.23
Increase (Decrease) in Other Current Liabilities	(15.19)	(220.55)
Increase (Decrease) in Current Provisions	5.76	(3.87)
Increase (Decrease) in Non-Current Provisions	7.26	13.55
Increase (Decrease) in Trade Payables	185.80	(38.27)
Cash Generated from Operations	1,488.33	2,321.27
Interest Received	39.83	56.79
Direct Taxes (Paid) Refund (Net)	(306.60)	(246.51)
Net Cash from Operating Activities (A)	1,221.56	2,131.55

POWERICA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	31.03.2018 ₹ in Million	31.03.2017 ₹ in Million
B Cash flows from Investing Activities		
Purchase of Property, Plant and Equipment	(1,039.68)	(538.03)
Sale of Property, Plant and Equipment	148.88	80.90
Sale of Investment Property	9.26	12.20
Purchase of Intangibles	(29.54)	(5.43)
Loans Given to Subsidiaries and Associate	(66.25)	(5.50)
(Purchase) Sale of Current Investments	591.61	397.49
(Purchase) Sale of Non - Current Investments	342.52	90.74
Decrease (Increase) in Bank Balances other than Cash & Cash Equivalents	0.53	0.06
Dividend from Current Non-Trade Term Investments	0.01	0.09
Net Cash from Investing Activities (B)	(42.66)	32.52
C Cash flows from Financing Activities		
Repayment of Borrowings	(1,564.19)	(1,834.19)
Proceeds from Borrowings	169.77	1,000.00
Buy Back of Equity Shares	-	(860.90)
Interest Paid	(110.14)	(224.41)
Net Cash from Financing Activities (C)	(1,504.56)	(1,919.50)
Net Increase (Decrease) in Cash & Cash Equivalents (A+B+C)	(325.65)	244.58
Cash and Cash Equivalents as at the beginning of the year	389.74	145.16
Cash and Cash Equivalents as at the end of the year	64.09	389.74

Note: 1) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

2) Reconciliation of liabilities arising from financial activities:

Particulars	As on 01.04.2017	Cash Flows	Non- Cash Changes Foreign Exchange Movement	As on 31.03.2018
Non-Current Financial Liabilities Borrowings (Including Current Maturities of Long Term Debt)	967.65	(564.19)	-	403.46
Current Financial Liabilities Borrowings	1,000.00	(830.23)	(0.13)	169.64
Interest Accrual (Paid)	11.84	(110.14)	-	2.93
Total Liabilities from Financial Activities	1,979.49	(1,504.56)	(0.13)	576.03

The accompanying notes are an integral part of these financial statements

As per our report of even date
For Jayantilal Thakkar & Co.
Chartered Accountants

Viral A. Merchant
Partner



Mumbai, 24th May, 2018

For and on behalf of the Board

Naresh C. Oberoi
Chairman & Managing Director
DIN: 00009000

Vijay Kumar
Chief Financial Officer

Bharat Oberoi
Jt. Managing Director
DIN: 00083664

Mrs. Komal Nagdev
Company Secretary



POWERICA LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

A. EQUITY SHARE CAPITAL

Particulars	₹ in Million				
	Balance as at 01.04.2016	Changes in Equity Share Capital during the year	Balance as at 31.03.2017	Changes in Equity Share Capital during the year	Balance as at 31.03.2018
Authorised	200.00	-	200.00	-	200.00
Issued, Subscribed & Paid up	84.25	8.06	76.18	-	76.18

B. OTHER EQUITY

Particulars	₹ in Million						
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained Earnings	Other Items of other Comprehensive income (Re-measurement gains (losses) on defined benefits plans)	Total Equity
As at 01.04.2016	1.39	9.36	621.08	1,136.83	6,144.20	(0.39)	7,912.47
Profit for the Period	-	-	-	-	1,210.72	-	1,210.72
Other Comprehensive Income	-	-	-	-	-	(5.66)	(5.66)
Total Comprehensive Income	1.39	9.36	621.08	1,136.83	7,354.92	(6.05)	9,117.53
Utilised for Buyback of Equity Shares	-	-	(621.08)	(116.59)	-	-	(737.67)
Transfer to Capital Redemption Reserve	-	8.07	-	(8.07)	-	-	-
Tax on Buyback of Shares	-	-	-	(115.17)	-	-	(115.17)
As at 31.03.2017	1.39	17.43	-	897.00	7,354.92	(6.05)	8,264.69
Profit for the Period	-	-	-	-	995.62	-	995.62
Other Comprehensive Income	-	-	-	-	-	2.72	2.72
As at 31.03.2018	1.39	17.43	-	897.00	8,350.54	(3.33)	9,263.03

The accompanying notes are integral part of the financial statements

As per our report of even date

For Jayantilal Thakkar & Co.

Chartered Accountants

For and on Behalf of the Board

Viral A. Merchant
Partner

Narendra C. Oberoi
Chairman & Managing Director
DIN: 00009000

Vijay Kumar
Chief Financial Officer

Bharat Oberoi
Jt. Managing Director
DIN: 00083664

Mrs. Komal Nagdev
Company Secretary

Mumbai, 24th May, 2018



POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

4. Significant Accounting Policies

4.1 Property, plant and equipment

(a) Recognition and measurement:

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, and other cost directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

All identifiable Revenue expenses including interest incurred in respect of various projects/ expansion, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the group.

(c) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives prescribed under Schedule II to the Companies Act, 2013 using the diminishing balance method, and is recognised in the statement of profit or loss. Freehold land is not depreciated. Premium on leasehold land has been amortised over the period of lease.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which the asset is ready for use (disposed of).

4.2 Intangible Assets

(a) Recognition and measurement

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the assets can be measured reliably.

Intangible assets are stated at cost or acquisition less accumulated amortisation and impairment loss, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

(b) Amortisation

Software is amortised over a period of three years on straight line basis from the date they are available for intended use, subject to impairment test. Rights of way are amortised over the period of agreement of right to use.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

(c) De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets is de-recognised.

4.3 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Classification:

Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value (FVTPL / FVTOCI)
- Financial assets at amortised cost

When assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in other comprehensive income (i.e. fair value through other comprehensive income (FVTOCI)).

Financial Assets measured at amortised cost (net of any write down for impairment, if any):

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial Assets measured at Fair Value through Profit or Loss ("FVTPL"): Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

Financial Assets measured at Fair Value through Other Comprehensive Income ("FVTOCI"):

Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets. Fair value movements are recognized in the other comprehensive income.

Investment in Subsidiary:

Investment in equity instruments of Subsidiaries are measured at cost as per Ind AS 27. In the financial statements, investment in subsidiary companies is carried at cost. The carrying amount is reduced to recognise any impairment in the value of investment.

Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

Investment in Debt Instruments:

A debt instrument is measured at amortised cost or at FVTOCI. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

De-recognition of Financial Assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or Company has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets:

In accordance with Ind - AS 109, Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

Financial Liabilities:

Classification:

Company classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs.

Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

De-recognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative Financial Instrument:

Company uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

4.4. Impairment of Non-Financial Assets:

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated amortisation or depreciation) has no impairment loss been recognised for the asset in prior years.

4.5 Inventories:

Raw materials are valued at cost or estimated net realisable value. Cost for this purpose includes basic cost of materials and all identifiable direct cost and includes taxes and duties and is net of eligible credits under CENVAT/VAT/GST schemes.

Finished goods are valued at lower of cost or estimated realisable value. Cost for this purpose comprises of Raw Material cost and proportionate overheads allocated on the assumption of normal operating capacity.

Traded goods are valued at lower of cost or estimated realisable value.

Work-in-progress are valued at estimated cost.

Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Materials and other items held for use in production of inventories are not written down, if the finished products in which they will be used are expected to be sold at or above cost.

4.6. Cash and Cash Equivalent:

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

4.7. Cash Flow Statements:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of Company are segregated.

4.8. Foreign Currency Transactions:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are re-measured at the exchange rate prevailing on the balance sheet date. Non-monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the Statement of Profit and Loss except for:

Exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed before 1st April 2016 at rates different from those at which they were initially recorded or reported in the previous financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets.

4.9. Revenue Recognition:

Sale of Products:

Revenue from sale of products is recognised when the company transfers all significant risks and rewards of ownership to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the products sold.

Rendering of Services:

Revenue from services is recognised when the stage of completion can be measured reliably. Stage of completion is proportion of milestone achieved to total estimated contract cost.

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty, excluding Goods and Service Tax (GST) or sales tax or value added taxes or service taxes or duties collected on behalf of the government, and net of returns, trade discount/allowances, rebates, and amounts collected on behalf of third parties.

Dividend income is recognised when right to receive dividend is established. Interest income is recognised on effective interest method. Insurance and other claims are recognised as a revenue on certainty of receipt on prudent basis.

Sale of Certified Emission Reductions (CER's) is recognised as income on the delivery of the CER's to the customer's account as evidenced by the receipt of confirmation of execution of delivery instructions.

4.10. Employee Benefits:

All employee benefits payable wholly within twelve months rendering service are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex gratia are recognised during the period in which the employee renders related service.

(i) Defined benefit plans

Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with Company.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

Liabilities with regard to Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the Projected Unit Credit Method.

Company fully contributes all ascertained liabilities to the Powerica Limited Employees Group Gratuity Assurance Scheme (the Trust). Trustees administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by laws of India.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. The effect of any plan amendments are recognized in the statement of profit and loss.

(ii) Defined contribution plans:

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits. Company pays provident fund contributions to publicly administered provident funds as per local regulations. Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iii) Compensated absences:

Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised liability at the present value of the defined benefit obligation at the balance sheet date.

Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

4.11. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.12. Lease:

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Leases rentals are charged to the statement of profit and loss on straight line basis.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

4.13. Earnings Per Equity Share:

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

4.14. Income Taxes:

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.15. Dividends to Shareholders:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

4.16. Provisions, Contingent Liabilities, Contingent Assets and Commitments:

Provisions are recognised when Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its 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. If there is any expectation that some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any virtually certain reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

Contingent liability is disclosed in the case of:

- possible obligation which will be confirmed only by future events not wholly within the control of the Company, or
- present obligations arising from past events where it is probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

4.17. Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or,
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.18. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company.

The CODM is responsible for allocating resources and assessing performances of the operating segments of the Company.

4.19. Investment Property:

Investment property is property either to earn rental income or for capital expenditure or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

Depreciation is calculated on investment properties over estimated useful lives of relevant type of buildings prescribed under Schedule II to the Companies Act, 2013 using the diminishing balance method, and is recognised in the statement of profit or loss. Any gain or loss on disposal of an investment property is recognized in profit or loss.

The fair values of investment property are disclosed in notes. Fair values are determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in location and category of the investment property being valued.

4.20. Business Combinations:

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The pooling of interest method is considered to involve the following:

- i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- iv) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

5 Use of Estimates and Judgements:

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize. Estimates and underlying assumptions are reviewed on an ongoing basis.

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

- Measurement of defined benefit obligations (Refer note 4.10)
- Measurement and likelihood of occurrence of provisions and contingencies (Refer note 4.16)
- Recognition of deferred tax assets (Refer note 4.14)
- Useful lives of property, plant, equipment, intangibles and investment properties (Refer note 4.1, 4.2& 4.19)
- Impairment of Intangibles (Refer note 4.2)
- Impairment of financial assets (Refer note 4.3)
- Determination of stage of completion for services rendered (Refer note 4.9)

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

6. PROPERTY, PLANT AND EQUIPMENTS, INVESTMENT PROPERTIES AND AND CAPITAL WORK-IN-PROGRESS

Current Year

₹ in Million

DESCRIPTION	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK
	OPENING	ADDITIONS	DEDUCTION / ADJUSTMENTS	CLOSING	OPENING	FOR THE YEAR	DEDUCTION / ADJUSTMENTS	CLOSING	CLOSING
(A) Property, Plant and Equipment:									
Freehold Land	243.32	5.43	-	248.75	-	-	-	-	248.75
Leasehold Land	72.24	-	-	72.24	1.74	1.22	-	2.95	69.29
Buildings	1,856.72	2.09	69.90	1,788.91	672.27	69.87	34.24	707.91	1,081.00
Roads	39.53	2.66	-	42.19	25.15	4.57	-	29.72	12.47
Plant & Machineries	635.70	45.34	43.44	637.60	409.60	45.43	43.44	411.59	226.01
Windmills	10,478.81	-2.34	-	10,476.47	4,805.50	713.78	-	5,519.28	4,957.19
Office Equipments	54.59	2.08	0.68	55.99	44.98	4.28	0.64	48.62	7.37
Furniture & Fixtures	80.87	3.66	2.98	81.55	60.84	5.93	2.53	64.24	17.31
Computers	58.97	9.69	0.54	68.12	50.83	7.20	0.51	57.52	10.60
Vehicles	220.85	40.47	24.26	237.06	155.82	25.16	20.53	160.45	76.61
Sub-Total	13,741.60	109.08	141.80	13,708.88	6,226.74	877.44	101.89	7,002.29	6,706.60
(B) Intangible:									
Software	26.52	29.54	-	56.07	22.68	11.55	-	34.23	21.84
Others	9.00	-	-	9.00	0.08	0.09	-	0.17	8.83
Total (B)	35.52	29.54	-	65.06	22.76	11.64	-	34.40	30.67
Total (A+B)	13,777.12	138.62	141.80	13,773.94	6,249.50	889.08	101.89	7,036.69	6,737.27
(C) Investment Property:									
Residential Buildings	4.51	-	4.51	-	0.43	0.12	0.55	-	-
Total (C)	4.51	-	4.51	-	0.43	0.12	0.55	-	-
(D) Capital Work in Progress									155.40
Total Fixed Assets (A) +(B)+(C)+(D)	13,781.63	138.62	146.31	13,773.94	6,249.93	889.20	102.44	7,036.69	6,892.67

Previous Year

₹ in Million

DESCRIPTION	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK
	OPENING	ADDITIONS	DEDUCTION / ADJUSTMENTS	CLOSING	OPENING	FOR THE YEAR	DEDUCTION / ADJUSTMENTS	CLOSING	CLOSING
(A) Property, Plant and Equipment:									
Freehold Land	231.15	12.17	-	243.32	-	-	-	-	243.32
Leasehold Land	7.11	65.13	-	72.24	1.10	0.64	-	1.74	70.50
Buildings	1,893.60	11.85	48.73	1,856.72	612.37	75.71	15.81	672.27	1,184.45
Roads	39.53	-	-	39.53	19.75	5.40	-	25.15	14.37
Plant & Machineries	608.98	33.38	6.66	635.70	370.69	44.00	5.09	409.60	226.10
Windmills	9,571.27	907.54	-	10,478.81	4,088.57	716.93	-	4,805.50	5,673.31
Office Equipments	50.73	3.93	0.07	54.59	39.90	5.15	0.07	44.98	9.61
Furniture & Fixtures	78.74	2.13	-	80.87	53.67	7.17	-	60.84	20.02
Computers	54.53	5.35	0.91	58.97	45.23	6.37	0.77	50.83	8.14
Vehicles	211.27	42.32	32.74	220.85	141.84	26.99	13.01	155.82	65.04
Sub-Total	12,746.91	1,083.80	89.11	13,741.60	5,373.13	888.36	34.75	6,226.74	7,514.86
(B) Intangible:									
Software	24.84	1.68	-	26.52	20.20	2.48	-	22.68	3.84
Others	5.25	3.75	-	9.00	-	0.08	-	0.08	8.92
Total (B)	30.09	5.43	-	35.52	20.20	2.56	-	22.76	12.76
Total (A+B)	12,777.00	1,089.23	89.11	13,777.12	5,393.33	890.92	34.75	6,249.50	7,527.62
(C) Investment Property:									
Residential Buildings	14.25	-	9.74	4.51	0.69	0.44	0.70	0.43	4.08
Total (C)	14.25	-	9.74	4.51	0.69	0.44	0.70	0.43	4.08
(D) Capital Work in Progress									68.88
Total Fixed Assets (A) +(B)+(C)+(D)	12,791.25	1,089.23	98.85	13,781.63	5,394.02	891.36	35.45	6,249.93	7,600.58

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

			₹ in Million	
			As at	As at
			31.03.2018	31.03.2017
7. NON CURRENT FINANCIAL INVESTMENTS				
1. Investments measured at Cost				
In Equity Shares of Subsidiary Companies, Unquoted				
	Face Value	No. of Shares		
Nandurpathar Windfarm Ltd.	10	22,00,000 (22,00,000)	22.00	22.00
Paramount Windfarms Pvt. Ltd.	10	9,98,258 (9,98,258)	9.98	9.98
Air Power Windfarms Pvt. Ltd.	10	- (10,000)	-	0.10
Vartaman Wind Energy Pvt. Ltd.	10	2,50,000 (10,000)	2.60	0.20
Gooty Windfarms Pvt. Ltd.	10	10,000 (-)	0.10	-
Soverign Windfarms Pvt. Ltd.	10	10,000 (-)	0.10	-
Vespower Windfarm Pvt. Ltd.	10	10,000 (-)	0.10	-
In Equity Shares of Associate Company, Unquoted				
Air Power Windfarms Pvt. Ltd.	10	1,25,000 (-)	1.25	-
2. Investments measured at Fair Value Through Profit or Loss (FVTPL)				
i. In Debentures, Unquoted				
	Face Value	Units		
9.50% Unlisted Non-Convertible Debentures of Business Broadcast News Holdings Ltd.	10,00,000	100 (100)	102.76	102.76
ii. In Bonds, Quoted				
11.25% Unsecured Non-Convertible Perpetual Basel III Compliant Additional Tier 1 Bonds (Series III) of Syndicate Bank	10,00,000	- (100)	-	104.14
10.40% Unsecured Redeemable Non-Convertible Tier 1 Perpetual Bonds Series II of Vijaya Bank	10,00,000	- (100)	-	100.98
iii. In Mutual Fund, Quoted				
	Face Value	Units No. in Million		
HDFC FMP 1184D January 2015 (1) Series 33 - Regular - Growth	10	- (5.00)	-	62.12
UTI Fixed Term Income Fund Series XXII - VI (1098 Days) - Growth Plan	10	- (5.00)	-	59.81
UTI Fixed Term Income Fund Series XXII - X (1098 Days) - Growth Plan	10	- (5.00)	-	58.18
UTI Fixed Term Income Fund Series XXII - XII (1100 Days) - Growth Plan	10	- (5.00)	-	57.57
Reliance Fixed Horizon Fund - XXIX- Series 1 - Growth Plan	10	- (5.00)	-	57.20
Kotak FMP Series 183 - Growth (Regular Plan)	10	5.00 (5.00)	61.20	56.47
Kotak FMP Series 189 - Growth	10	10.03 (10.03)	123.16	113.51
HDFC Fixed Maturity Plan 1112D June 2016 (1) Regular Growth	10	5.00 (5.00)	56.94	53.30

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	Face Value	Units No. in Million	₹ in Million	
			As at	As at
			31.03.2018	31.03.2017
ICICI Fixed Maturity Plan Series 79 - 1120 D Plan J Cumulative	10	5.00 (5.00)	56.20	52.64
Kotak FMP Series 196 - 1099 Days - Growth	10	5.00 (5.00)	56.48	52.98
Reliance Fixed Horizon Fund - XXXI - Series 5 - Growth Plan	10	5.00 (5.00)	56.32	52.89
Reliance Fixed Horizon Fund - XXXI - Series 6 - Growth Plan	10	5.14 (5.14)	59.09	54.63
Reliance Fixed Horizon Fund - XXXI - Series 7 - Growth Plan	10	5.00 (5.00)	55.89	52.66
SBI Debt Fund Series - B 42 days - Regular - Growth	10	5.00 (5.00)	56.36	52.98
UTI Fixed Term Income Fund XXV - I (1099 Days) - Growth Plan	10	5.00 (5.00)	56.68	52.89
iv. In Mutual Fund, Unquoted				
Reliance Interval Fund - IV - Series 3 - Growth Plan	10	5.00 (5.00)	61.04	57.06
v. In Real Estate Investment Trust, Unquoted				
IDFC Score Fund			27.12	10.75
			865.37	1,297.80
a) Quoted Investments - Book Value			638.32	1,094.94
- Market Value			638.32	1,094.94
b) Unquoted Investments - Book Value			227.05	202.86
* Figures in Brackets are of Previous Years				
8. NON-CURRENT LOANS:				
(Unsecured, Considered Good)				
Loan to Employees			3.74	4.30
			3.74	4.30
9. NON-CURRENT FINANCIAL ASSETS:				
(Unsecured, Considered Good)				
Security Deposits			36.06	33.51
Deposits with original maturity more than 12 months				
- Under Lien			0.19	0.27
Interest Accrued on Fixed Deposits			0.01	0.01
			36.26	33.79
10. OTHER NON-CURRENT ASSETS:				
Capital Advances			423.86	171.63
Balances with Government Authorities			8.43	12.61
Prepaid Expenses			0.90	0.78
			433.19	185.02
11. INVENTORIES:				
Raw Materials & Components			880.53	890.33
Raw Materials & Components in Transit			1.59	0.13
Work-in-Progress			56.65	54.10
Stock-in-Trade			184.62	162.42
Stock-in-Trade in Transit			0.13	-
			1,123.52	1,106.98

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

			₹ in Million	
			As at	As at
			31.03.2018	31.03.2017
12. CURRENT FINANCIAL INVESTMENTS:				
1. Investments measured at Fair Value Through Profit or Loss (FVTPL)				
i. In Equity Shares, Quoted				
50,972 (Pr. Yr. 51,231) Equity Shares of ₹ 10/- each fully paid-up of Tata Teleservices (Maharashtra) Ltd.			0.28	0.37
ii. In Mutual Funds, Quoted				
	Face Value	Units No. in Million		
HDFC FMP 1184D January 2015 (1) Series 33 - Regular - Growth	10	5.00	66.52	-
UTI Fixed Term Income Fund Series XXII - VI (1098 Days) - Growth Plan	10	(-)	64.97	-
UTI Fixed Term Income Fund Series XXII - X (1098 Days) - Growth Plan	10	(-)	62.28	-
UTI Fixed Term Income Fund Series XXII - XII (1100 Days) - Growth Plan	10	(-)	61.99	-
Reliance Fixed Horizon Fund - XXIX- Series 1 - Growth Plan	10	(-)	61.43	-
ICICI Prudential Fixed Maturity Plan Series 73-369 Days Plan T - Regular Plan -	10	(-)	-	152.63
ICICI Prudential Fixed Maturity Plan Series 74-368 Days Plan R - Regular Plan - Cumulative	10	(11.96)	-	63.49
ICICI Prudential Fixed Maturity Plan Series 74-369 Days Plan K - Regular Plan - Cumulative	10	(5.03)	-	63.62
ICICI Prudential Fixed Maturity Plan Series 74-369 Days Plan T - Regular Plan - Cumulative	10	(5.03)	-	63.37
Reliance Fixed Horizon Fund - XXVI - Series 24 - Growth Plan	10	(5.02)	-	63.16
Reliance Fixed Horizon Fund - XXVI - Series 25 - Growth Plan	10	(5.00)	-	63.24
SBI Debt Fund Series - A 27 - 366 Days - Regular - Growth	10	(5.00)	-	62.94
Sundaram Fixed Term Plan GG 366 Days - Regular - Growth	10	(5.01)	-	62.72
UTI Fixed Income Fund Series XVIII - XII (366 Days) - Growth Plan	10	(5.00)	-	63.32
UTI Fixed Term Income Fund Series XVIII - XIII 366 Days - Growth Option	10	(3.62)	-	45.78
UTI Fixed Term Interval Fund - Series XIX - III 368 Days - Growth Plan	10	(8.34)	-	104.94
iii. In Mutual Funds, Unquoted				
BOI AXA Corporate Credit Spectrum Fund - Regular Plan	10	9.25	123.45	113.37
ICICI Prudential Liquid Plan - Growth	100	(9.25)	40.08	-
Reliance Liquid Plan - Treasury Plan - Growth	1000	(-)	40.10	-
		(-)		
			521.10	922.95
a) Quoted Investments - Book Value			317.47	809.58
- Market Value			317.47	809.58
b) Unquoted Investments - Book Value			203.63	113.37
* Figures in Brackets are of Previous Years				

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	₹ in Million	
	As at	As at
	31.03.2018	31.03.2017
13. TRADE RECEIVABLES:		
Unsecured		
- Considered Good *	1,904.13	1,734.20
- Considered Doubtful	12.97	16.31
Allowance for Doubtful Debts	-12.97	-16.31
	1,904.13	1,734.20
* Includes due from private companies in which directors are interested (Refer Note 50)	107.95	-
14. CASH & CASH EQUIVALENTS (as per IND AS-7 - "Statement of Cash Flows"):		
Balance with Banks		
In Current Accounts	120.53	193.62
Deposit with original maturity upto 3 months.	147.00	192.50
Cash on Hand	2.93	3.62
Bank Overdraft used for Cash Management Purposes	-206.37	-0.00
	64.09	389.74
15. BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS:		
Deposit with original maturity for more than 3 months and upto 12 months.		
- Under Lien	0.41	0.55
- Others	-	10.00
Deposits with original maturity more than 12 months		
- Under Lien	11.66	1.05
- Others	-	1.00
	12.07	12.60
16. CURRENT LOANS:		
(Unsecured, Considered Good)		
Loan to Employees	6.07	11.18
Loan to Related Parties (Refer Note 50)	71.75	5.50
	77.82	16.68
17. CURRENT FINANCIAL ASSETS - OTHERS:		
(Unsecured, Considered Good)		
Security Deposits	32.30	35.18
Deposits to Related Parties (Refer Note 50)	0.45	0.45
Derivative Contracts	22.67	19.58
Interest Receivable	55.06	7.80
Others	6.81	1.23
	117.29	64.24
18. OTHER CURRENT ASSETS:		
Advances for Supply of Goods and Rendering of Services	161.08	88.00
Advances to Employees	6.50	10.84
Balance with Government Authorities	318.84	88.72
Prepaid Expenses	27.12	18.12
Unbilled Revenues for Services	35.58	44.36
	549.12	250.04

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

19. SHARE CAPITAL

	31.03.2018		31.03.2017	
	No. of Shares of FV ₹ 2	In Million	No. of Shares of FV ₹ 2	In Million
Authorised: Equity Shares	10,00,00,000	200.00	10,00,00,000	200.00
Issued, Subscribed & Paid up Equity Shares - Fully Paid Up	3,80,92,129	76.18	3,80,92,129	76.18

Of the above Equity Shares:

a) Terms/ Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 2/- each. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Interim Dividend is recognised on approval of the Board of Directors.

In the event of liquidation of the Company, the holder of Equity Shares will be entitled to 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.

b) 87,11,291 (Pr. Yr. 46,80,342) Equity Shares of ₹ 2 each/- have been bought back during the period of five years immediately preceding balance sheet date.

c) Details of shareholders holding more than 5% Shares in the Company

Name of Shareholder	31.03.2018		31.03.2017	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Mr. Naresh Chander Oberoi	54,76,000	14.38	54,76,000	14.38
Mr. Kharati Ram Puri	52,94,808	13.90	52,94,808	13.90
Mr. Bharat Oberoi	1,79,02,302	47.00	1,79,02,302	47.00
Ms. Renu Oberoi	46,33,717	12.16	46,33,717	12.16
Marina West (Singapore) Pte. Ltd.	36,40,705	9.56	36,40,705	9.56

As per the records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

d) Reconciliation of shares outstanding at the beginning and at the end of the reporting year:

	31.03.2018		31.03.2017	
	No. of Shares held	In Million	No. of Shares held	In Million
Equity Shares outstanding at the beginning of the year	3,80,92,129	76.18	4,21,23,078	84.25
Less: Equity Shares extinguished pursuant to Buy Back	-	-	40,30,949	8.06
Equity Shares outstanding at the end of the year	3,80,92,129	76.18	3,80,92,129	76.18

e) The Company is not a subsidiary company

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

20. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS:

Secured

Term Loan From Banks

₹ in Million	
As at	As at
31.03.2018	31.03.2017
172.91	403.46
172.91	403.46

a) Term Loan from Standard Chartered Bank was secured against hypothecation by way of first exclusive charge of 5 windmills of 1650 KW each in village Lakhapur, Kutch and 6 windmills of 1650 KW each in village Vandhiya, Kutch and 11 windmills of 2000 KW each in village Vandhiya, Kutch procured out of the loan including its present and future book debts receivables, its moveable fittings and other moveable assets both present and future situated at Companies premises, warehouses, stockyards, godowns, various worksites or wherever else the same may be held by any party.

b) ₹ 172.91 million (Pr. Yr. ₹ 403.46 million) are secured against hypothecation by way of first exclusive charge of 9 windmills of 2000 KW each in village Goinj, Kutch and and moveable assets of the Company both present and future situated at Company's premises, warehouses, stockyards, godowns, various worksites or wherever else the same may be held by any party and lien on mutual fund schemes of the Company having market value of ₹ 311.61million (Pr. Yr. ₹ 350.69 million) as at year end.

c) Term loan from Standard Chartered Bank was repayable in 16 quarterly installments beginning from 22nd June, 2014.

d) Term loan of ₹ 172.91 million (Pr. Yr. ₹ 403.46 million) from Standard Chartered Bank is repayable in 16 quarterly installments beginning from 12th February, 2016.

e) Term loan from Banks include foreign currency loans of ₹ 172.91 million (Pr. Yr. ₹ 403.46 million).

f) Term loan from Banks in foreign currency carries interest rate in the range of LIBOR plus 2% to LIBOR plus 3%.

Installment following dues in respect of all the above loans upto 31.03.2019 have been grouped under "Current Maturities of long- term debt - Secured" (Refer Note 26).

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		₹ in Million	
		As at	As at
		31.03.2018	31.03.2017
21. NON-CURRENT OTHER FINANCIAL LIABILITIES:			
Security Deposits		3.06	2.79
		3.06	2.79
22. OTHER NON-CURRENT LIABILITIES:			
Income Received in Advance		224.10	235.58
		224.10	235.58
23. NON -CURRENT PROVISIONS			
Provision for Employee Benefits			
For Compensated Absences		30.31	26.92
For Gratuity		7.43	3.55
		37.74	30.47
24. CURRENT FINANCIAL LIABILITIES BORROWINGS:			
Secured			
Working Capital Rupee Loan		-	1,000.00
Export Pre-Shipment Loan		169.64	-
		169.64	1,000.00
a) Working Capital Rupee Loan was secured against lien on mutual fund schemes of the Company having market value of Nil (Pr. Yr. ₹ 1,190.66 million) as at year end and was repayable in 3 monthly installments beginning from 30th May, 2017.			
b) Export Pre-Shipment Loan is secured against hypothecation on all present and future book debts, outstanding monies receivable, claims and bills and all present and future stock of the Company and is repayable by 14th September, 2018.			
25. TRADE PAYABLES:			
Trade Payables (Refer Note 43)		1,443.98	1,257.59
		1,443.98	1,257.59
26. OTHER CURRENT FINANCIAL LIABILITIES:			
Current maturities of long-term debt - Secured (Refer Note 20)		230.55	564.19
Interest Accrued but not due on Borrowings		2.93	11.84
Security Deposits		1.49	1.25
Capital Creditors		88.75	680.59
Other Liabilities		123.36	146.65
		447.08	1,404.52
27. OTHER CURRENT LIABILITIES:			
Income Received in Advance		46.92	44.02
Advance Received from Customers		564.10	563.00
Statutory Dues Payable		40.36	58.21
		651.38	665.23
28. CURRENT PROVISIONS			
Provision for Employee Benefits			
For Gratuity		12.17	11.06
For Compensated Absences		4.66	4.17
		16.83	15.23

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	₹ in Million	
	Year Ended	Year Ended
	31.03.2018	31.03.2017
29. REVENUE FROM OPERATIONS:		
Sale of Products:		
- Manufactured Goods	9,241.41	10,491.03
- Stock-in-Trade	930.87	1,097.19
- Electricity	1,298.42	1,203.60
- Generation Based Incentive - Electricity	61.44	49.70
Income from Services:		
Erection, Installation & Other Services rendered	868.38	1,148.16
Project Development Consultancy	164.52	-
Other Operating Revenue:		
Income from Leasing	9.06	24.75
Others	56.69	48.49
	12,630.79	14,062.92
Note: Consequent to the introduction of Goods and Service Tax (GST) with effect from July 1, 2017, Central Excise, Value Added Tax (VAT) etc have been replaced by GST. In accordance with IND AS 18 on Revenue and Schedule III of the Companies Act, 2013, GST is not included in Revenue from Operations. In view of the aforesaid restructuring of Indirect Taxes, Revenue from Operations for the year ended 31.03.2018 is not comparable with previous year. Following additional information is given to facilitate such comparison:		
Revenue from Operations (Gross)	12,630.79	14,062.92
Excise Duty	-253.96	-991.58
Revenue from Operations (Net)	12,376.83	13,071.34
30. OTHER INCOME:		
Interest Income		
- On Bank Deposits	4.01	2.21
- Others	61.81	21.22
Income from Investments		
- Interest	21.26	24.89
- Dividend	0.01	0.09
Rent Income	12.58	18.72
Provision for Doubtful Debts Written Back	3.34	-
Net Gain on Sale of Property, Plant and Equipments	108.98	26.54
Net Gain on Financial Assets measured at FVTPL *	99.85	214.97
Net Gains on Sale of Investment Properties	5.30	3.16
Exchange Differences (Net)	-	5.20
Net Gain on Derivative Contracts measured at FVTPL	3.09	13.08
Miscellaneous Income	6.53	12.93
	326.76	343.01
* Net Gain on Financial Assets measured at FVTPL include ₹ 193.22 million (Pr. Yr ₹ 183.11 million) as 'Net Gain on Sale of Investments'		
31. COST OF RAW MATERIAL CONSUMED:		
Raw Materials & Components Consumed	7,305.55	7,889.94
	7,305.55	7,889.94
32. PURCHASE OF STOCK-IN-TRADE:		
Purchase Of Stock-In-Trade	799.85	774.19
	799.85	774.19
33. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE:		
Inventories at the beginning of the year		
Work in Progress	54.10	87.27
Stock-in-Trade	162.42	189.98
	216.52	277.25
Inventories at the end of the year		
Work in Progress	56.65	54.10
Stock-in-Trade	184.76	162.42
	241.41	216.52
Changes In Inventories Of Finished Goods, Work-In-Progress & Stock-in-Trade	(24.89)	60.73

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	₹ in Million	
	Year Ended	Year Ended
	31.03.2018	31.03.2017
34. EMPLOYEE BENEFIT EXPENSES:		
Salaries, Wages, Bonus & Allowances	862.74	852.56
Contribution to Provident & Other Funds	54.24	51.88
Defined Benefit Plan Expense (Refer Note 41)	25.02	8.80
Staff Welfare Expenses	37.90	41.84
	979.90	955.08
35. FINANCE COST:		
Interest Expenses	86.51	187.11
Other Borrowing Costs	14.72	34.80
	101.23	221.91
36. DEPRECIATION & AMORTISATION:		
Depreciation of Property, Plant and Equipments (Refer Note 6)	877.44	888.36
Depreciation of Investment Property (Refer Note 6)	0.12	0.44
Amortisation of Intangible Assets (Refer Note 6)	11.64	2.56
	889.20	891.36
37. OTHER EXPENSES:		
Consumable Stores	147.13	207.63
Power & Fuel	37.21	39.78
Repairs & Maintenance		
- Plant & Machinery	1.61	2.39
- Buildings	28.72	7.25
- Others	26.46	40.54
Labour Charges	197.50	157.00
Conveyance & Petrol Expenses	43.42	44.48
Erection Expenses	265.12	226.44
Telephone & Communication	16.22	19.47
Vehicles Maintenance	14.76	13.90
Insurance Expenses	28.90	21.62
Legal & Professional Charges	67.20	52.22
Rent Expenses	26.89	24.97
Rates & Taxes	39.82	13.02
Freight Outward & Octroi	76.79	55.06
Sales Commission	17.87	17.00
Exchange Differences (Net)	0.84	-
Operation and Maintenance Charges	238.55	156.10
Provision for Doubtful Debts	-	0.26
Travelling Expenses	75.21	58.25
Sundry Balance Written Off (Net)	12.03	2.05
Miscellaneous Expenses	158.46	164.86
	1,520.71	1,324.59

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

1. Corporate Information

Powerica Limited is a closely held public limited company incorporated and domiciled in India. The registered office of the company is located at 9th Floor, Bakhtawar, Nariman Point, Mumbai.

Company is engaged in business of manufacturing, trading and other services related to diesel generating sets and generation of electricity from Wind Turbine Generators.

The financial statements for Company for the year ended 31st March 2018 are approved for issue by the Company's Board of Directors on 24th May, 2018.

2. Basis of preparation

These financial statements of Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The accounting policies are applied consistently to all the periods presented in the financial statements. The financial statements have been prepared on an accrual basis and going concern basis and under the historical cost basis unless otherwise indicated.

The financial statements are prepared in Indian Rupees ('INR or 'Rupees' or 'Rs.' or '₹') which is the functional currency for Company.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million. Amount less than ₹ 5,000/- are shown as actual.

3. Current versus non-current classification

The assets and liabilities in the balance sheet are presented based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle, or
- Held primarily for the purpose of trading, or
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle, or
- Held primarily for the purpose of trading, or
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non-current.

Deferred tax assets and liabilities, as applicable are classified as non-current assets and liabilities respectively.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

38. Contingent Liabilities and Commitments:

Contingent Liabilities

	(₹ in Million)	
Claims against the Company not acknowledged as debts	31.03.2018	31.03.2017
a) Sales Tax demand disputed, contested in appeal	2.16	4.40
Amount paid there against and shown as Advances Recoverable	2.16	2.16
b) Service Tax demand disputed, contested in appeal	0.31	0.31
Amount paid there against and shown as Advances Recoverable	Nil	Nil
c) Excise Duty demand disputed, contested in appeal	3.20	1.97
Amount paid there against and shown as Advances Recoverable	Nil	0.59

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forms/authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on the Company's financial condition, results of operations or cash flows.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. In respect of Clause (a) to (c) above, Management has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

Commitments:

	(₹ in Million)	
	31.03.2018	31.03.2017
a) Bank Letter of Credit outstanding at the year end	Nil	562.50
b) Estimated amounts of contracts remaining to be executed on capital account and not provided for, net of advances	2,428.05	46.57
c) Dividends approved by Board of Directors at their meeting held on 25 th April, 2018 of ₹ 2/- per equity share before the financial statements were approved for issue, but not recognised as liability in the financial statements is ₹ 76.18 million.		
d) For Derivative contract related commitments, Refer Note 44		

39. Earnings Per Share (EPS):

	31.03.2018	31.03.2017
Profit Attributable to Equity Shareholders for Basic & Diluted EPS (₹ in Million)	998.34	1,205.06
Weighted Average Number of Equity Shares Outstanding for Basic & Diluted EPS	3,80,92,129	4,00,68,950
Nominal Value of Equity Share (₹)	2	2
Earnings Per Share Basic & Diluted (₹)	26.21	30.07

40. Disclosure for Operating Leases under Ind AS 17 - "Leases":

- Company has procured various residential/commercial premises under operating lease. These are generally cancellable and ranges from 11 months to 5 years and are renewable by mutual consent on mutually agreeable terms. There are no restrictions imposed by lease arrangements and there are no sub leases. The lease expenses recognised in the Statement of Profit & Loss for the year are ₹ 32.34 million (Pr. Yr. ₹ 31.46 million).
- Company has given on lease, plant & machineries under cancellable operational lease. The rental income recognised in the Statement of Profit & Loss for the year is ₹ 9.06 million (Pr. Yr. ₹ 24.75 million).
- Company has given on lease, commercial premises under operational lease. These are generally cancellable and ranges from 11 months to 5 years and are renewable by mutual consent on mutually agreeable terms. The rental income recognised in the Statement of Profit & Loss for the year is ₹ 12.58 million (Pr. Yr. ₹ 18.72 million).

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

41. Employee Benefits

(a) Defined Contribution Plans:

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the government, and certain state plans such as Employees' State Insurance (ESI). PF and EPS cover substantially all regular employees and the ESI covers eligible workers. Contributions are made to the Government's funds. While both the employees and the Company pay predetermined contributions into the Provident Fund and the ESI Scheme, contributions into the pension fund is made only by the Company. The contributions are normally based on a certain portion of the employee's salary.

During the year, the Company has recognised the following amounts:

	(₹ in Million)	
	31.03.2018	31.03.2017
Provident Fund and Employee's Pension Scheme	48.96	46.00
Employees State Insurance	5.53	5.39
	54.49	51.39

(b) Defined Benefit Plans

Gratuity: Company makes annual contributions to the Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of the LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

- i) **On normal retirement / early retirement / withdrawal / resignation:**
As per the provisions of Payments of Gratuity Act, 1972 with vesting period of 5 years of service
- ii) **On the death in service:**
As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity Risk	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

- (c) The following tables summarise the components of defined benefit expense recognised in the statement of profit or loss/OCI and the funded status and amounts recognised in the Balance Sheet for the respective plans:

(₹ in Million)		
	Gratuity (Funded Plan)	
	31.03.2018	31.03.2017
i) Changes in Defined Benefit Obligation		
Opening defined benefit obligation	98.35	79.96
Current service cost	11.05	8.80
Interest cost	6.94	5.99
Actuarial loss / (gain)		
- changes in financial assumptions	(2.99)	4.97
- experience adjustments	(1.22)	3.47
Past Service Cost	13.96	-
Benefit (paid)	(8.88)	(4.84)
Closing defined benefit obligation	117.21	98.35
ii) Changes in Fair Value of Assets		
Opening value of plan assets	83.74	69.71
Expenses deducted from the fund		
Interest Income	6.27	5.52
Return on plan assets excluding amounts included in Interest Income	(0.06)	(0.22)
Contributions of employer	16.53	13.57
Benefits (paid)	(8.88)	(4.84)
Closing value of plan assets	97.60	83.74
iii) Amount recognised in the Balance Sheet		
Present value of the funded obligations as at year end	117.21	98.35
Fair value of the plan assets as at year end	97.60	83.74
Net (asset) / liability recognised as at year end	19.61	14.60
iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	11.06	8.80
Past service cost and loss/(gain) on curtailments and settlement	13.96	-
Net Interest cost	0.67	0.46
Total	25.69	9.26
Expenses recognised in the Statement of Other Comprehensive Income		
Net actuarial loss / (gain) recognised in the current year		
- changes in financial assumptions	(2.99)	4.97
- experience adjustments	(1.23)	3.47
Return on plan assets excluding amounts included in Interest Income	0.06	0.22
Total	(4.16)	8.66
v) Asset information		
Others - Policy of Insurance	100.00%	100.00%
vi) Principal actuarial assumptions used		
Discount rate (p.a.)	7.65%	7.40%
Salary growth rate (p.a.)	5.50%	5.50%

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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(d) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. Reasonable, possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

	31.03.2018		31.03.2017	
	Increase	Increase	Increase	Decrease
Discount rate (0.5%) movement	(5.63)	6.11	(4.53)	4.91
Salary growth rate (0.5%) movement	5.22	(5.03)	4.54	(4.09)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with financial year 2017-2018.

(e) Leave Encashment:

Company's employees are entitled for compensated absences which are allowed to be accumulated and encashed as per Company's rule. The liability of compensated absences, which is non-funded, has been provided based on report of independent actuary using "Projected Unit Credit Method".

Accordingly ₹ 34.98 million (Pr. Yr. ₹ 31.09 million) being liability as at the year-end for compensated absences as per actuarial valuation has been provided in the accounts.

Annual Leave Assumptions

a) Financial Assumptions

Particulars	31.03.2018	31.03.2017
Discount rate (p.a.)	7.65%	7.40%
Salary growth rate (p a)	5.50%	5.50%

b) Demographic Assumptions

Particulars	31.03.2018	31.03.2017
Mortality	IALM (2006-08)	IALM (2006-08)
Leave Availment Rate	3.0 %	2.0 %

42. Remuneration to Auditors (Excluding Taxes) :

(₹ in million)

	31.03.2018	31.03.2017
Audit Fees	2.80	2.70
Tax Audit Fees	Nil	0.90
Other Attest Services	0.03	0.41
Out of Pocket Expenses	0.05	0.03

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43. Details of Micro and Small Enterprises As defined Under the Micro, Small and Medium Enterprise Development Act, 2006:

The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

(₹ in million)

Sr.No.	Particulars	31.03.2018	31.03.2017
i	Principal amount remaining unpaid to any supplier as at the end of the accounting year	41.30	26.48
ii	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
iii	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
iv	The amount of interest due and payable for the year	Nil	Nil
v	The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
vi	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

44. Details of Hedged and Unhedged Exposure in Foreign Currency Denominated Monetary Items

a) Exposure in Foreign Currency - Hedged

The Company had entered into forward and option contracts for hedge purpose and not intended for trading or speculation purposes, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain payables. It has also entered into Interest Rate Swap agreements as a means of hedging interest rates related risks in respect of variable rate debts. The following are the outstanding contracts entered into by the Company.

Type of Instrument	Type of Exposure	Currency	Amount in million		Cross Currency
			31.03.2018	31.03.2017	
Option Contracts	ECB	USD	6.56	7.50	INR

b) The year-end foreign currency exposures that have not been hedged by derivative instrument or otherwise are as below:

Particulars	Foreign Currency Denomination	Foreign Currency Amount		Indian Rupees equivalent in million	
Assets :		31.03.2018	31.03.2017	31.03.2018	31.03.2017
Advances Given	USD	3,14,480	29,758	20.46	1.93
	EURO	16,800	Nil	1.35	Nil
	SGD	Nil	46,678	Nil	2.23
Trade Receivables	USD	10,22,637	15,43,624	66.52	100.09
Other Receivables	USD	5,000	Nil	0.33	Nil
	EURO	1,06,500	1,06,500	8.59	7.37
Liabilities :					
Trade Payables	DKK	3,83,776	3,83,776	4.03	3.47
	USD	263	9,799	0.02	0.64
Advances Received	USD	11,71,252	1,55,590	76.18	10.09
Secured Loans	USD	26,08,000	78,12,500	169.64	506.55
Interest Accrued but not due on Secured Loans	USD	45,058	74,131	2.93	4.81

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45. Pre-operative expenses, pending capitalisation included in Capital Work-in-Progress (Note No. 6) represent the expenses incurred for projects, which are yet to be commissioned. The same will be capitalized on completion of projects and commencement of commercial operations. The details of the pre-operative expenses are as under:

(₹ in million)		
Particulars	31.03.2018	31.03.2017
Opening Balance	12.57	7.70
Incurring during the current year		
Salaries, Bonus & Allowances	19.94	Nil
Professional Fees	1.12	9.21
Others	<u>3.26</u>	<u>0.56</u>
Total	36.89	17.17
Less: Capitalised during the year	<u>Nil</u>	<u>4.60</u>
Closing Balance	36.89	12.57

46. Segment Reporting

A. Basis for Segmentation

The Company has following business segments which are its reportable segments. These units offer different products and services, and are managed separately because they require different technology and production processes. Operating segment disclosures are consistent with the information provided to and reviewed by the Chief Operating Decision Maker.

Reportable Segments	Operation
Diesel Generating Sets -	Manufacturing and trading in diesel generating sets, components and erection, installation, commissioning, operation, maintenance & other services relating to diesel generating sets.
Wind Turbine Generators -	Generation of electricity from Wind Turbine Generators and erection, installation, commissioning, operation, maintenance, project management & other services relating to Wind Turbine Generators

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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

B. Information about the Company's business segments is given below:

Sr. No		Diesel Generating Sets		Wind Turbine Generators		(₹ in million) Total	
		31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
A	Revenue						
	External Sales	11,197.52	12,476.23	1,633.62	1,686.60	12,831.14	14,162.83
	Inter Segment Sales	0.38	1.36	Nil	Nil	0.38	1.36
	Segment Revenue	11,197.90	12,477.59	1,633.62	1,686.60	12,831.52	14,164.19
	Less. Inter Segment Eliminations					0.38	1.36
	Total Revenue					12,831.14	14,162.83
B	Segment Results (PBT)	660.09	762.26	456.41	398.70	1,116.50	1,160.96
C	Specified Amounts included in Segment Results						
	Depreciation & Amortisation	170.39	168.48	718.69	722.44	889.08	890.92
	Interest Income	8.94	17.04	56.88	6.39	65.82	23.43
	Interest Expense	27.99	122.56	73.24	99.35	101.23	221.91
D	Reconciliation of Segment Result with Profit After Tax						
	Segment Results	660.09	762.26	456.41	398.70	1,116.50	1,160.96
	Interest Income					21.26	24.88
	Net gain (loss) arising on financial assets measured at FVTPL					-93.37	31.86
	Gain on sale of financial assets measured at FVTPL					193.22	183.11
	Dividend received					0.01	0.09
	Unallocated Corporate Income/ (Expenses)- Net					-105.58	-104.35
	Income Taxes					136.42	85.83
	Profit After Tax as per Statement of Profit and Loss					995.62	1,210.72
E	Other Information						
	Segment Assets	5,171.56	5,185.58	6,042.35	6,208.51	11,213.91	11,394.09
	Unallocated Corporate Assets					1,478.46	2,265.32
	Total Assets					12,692.37	13,659.41
	Segment Liabilities	2,331.03	3,026.84	814.26	1,930.53	3,145.29	4,957.37
	Unallocated Corporate Liabilities					207.87	361.17
	Total Liabilities					3,353.16	5,318.54
	Total Capital Expenditure	114.61	241.85	954.61	301.61	1,069.22	543.46

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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

C. Reconciliation of other material items:

	Reportable segments total		Adjustments		Total	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Interest Revenue	65.82	23.43	21.26	24.89	87.08	48.32
Interest Expense	101.23	221.91	Nil	Nil	101.23	221.91
Depreciation	889.08	890.92	0.12	0.44	889.20	891.36

D. Geographical information:

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been on the geographical location of the assets.

(i) Revenue (Net)

	₹ in million	
	31.03.2018	31.03.2017
Within India	12,170.50	12,916.29
Outside India	206.33	155.05
Total	12,376.83	13,071.34

- (ii)** All Non-Current Assets (Non-Current Assets exclude financial instruments, deferred tax assets and post-employment benefit assets) of the Company are located in India.

E. Major Customer:

None of the individual customer accounted for more than 10% of the revenue for the years ended 31st March, 2018 and 31st March, 2017.

47. Capital Management

The primary objective of the Company's capital management is to maximize the shareholder value. Management monitors the return of capital, as well as the level of dividends paid to equity shareholders. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and advantages and security afforded by a sound capital position.

Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings less cash and cash equivalents and current investments. Equity comprises all components of equity.

Company's policy is to keep the ratio below 1 and its adjusted net debt to equity ratio was as follows:

	31.03.2018	31.03.2017
Debt (Debt + Current Liabilities)	573.10	1,967.65
Less: Cash and Cash Equivalents	585.19	1,312.69
Adjusted Net Debt	-	654.96
Equity	9,339.21	8,340.87
Adjusted Net Debt to Equity Ratio	-	0.08

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2018 and 31st March, 2017.

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48. Financial Instrument- Fair values and risk management

A) Fair Value Measurements

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Financial Instruments by Category	31.03.2018		31.03.2017	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets:				
Non-Current Investments – Others	829.24	Nil	1,265.52	Nil
Non-Current Loans	Nil	3.74	Nil	4.30
Other Non-Current Financial Assets	Nil	36.26	Nil	33.79
Current Investments	Nil	521.10	Nil	922.95
Trade Receivables	Nil	1,904.13	Nil	1,734.20
Cash & Cash Equivalents	Nil	64.09	Nil	389.74
Other Bank Balance	Nil	12.07	Nil	12.60
Current Loans	Nil	77.82	Nil	16.68
Other Current Financial Assets				
- Derivative Instruments	22.67	Nil	19.58	Nil
- Others	Nil	94.62	Nil	44.66
Financial Liabilities:				
Non-Current Borrowings	Nil	172.91	Nil	403.46
Other Non-Current Financial Liabilities	Nil	3.06	Nil	2.79
Current Borrowings	Nil	169.64	Nil	1,000.00
Trade Payables	Nil	1,443.98	Nil	1,257.59
Other Current Financial Liabilities	Nil	447.08	Nil	1,404.52

Fair value hierarchy

Financial Instruments by Category	31.03.2018			31.03.2017		
	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets:						
Non-Current Investments – Others	Nil	829.24	Nil	Nil	1,265.52	Nil
Non-Current Loans	Nil	Nil	3.74	Nil	Nil	4.30
Other Non-Current Financial Assets	Nil	Nil	36.26	Nil	Nil	33.79
Current Investments	0.28	520.82	Nil	0.37	922.58	Nil
Trade Receivables	Nil	Nil	1,904.13	Nil	Nil	1,734.20
Cash & Cash Equivalents	Nil	Nil	64.09	Nil	Nil	389.74
Other Bank Balance	Nil	Nil	12.07	Nil	Nil	12.60
Current Loans	Nil	Nil	77.82	Nil	Nil	16.68
Other Current Financial Assets						
- Derivative Instruments	Nil	22.67	Nil	Nil	19.58	Nil
- Others	Nil	Nil	94.62	Nil	Nil	44.66
Financial Liabilities:						
Non-Current Borrowings	Nil	Nil	172.91	Nil	Nil	403.46
Other Non-Current Financial Liabilities	Nil	Nil	3.06	Nil	Nil	2.79
Current Borrowings	Nil	Nil	169.64	Nil	Nil	1,000.00
Trade Payables	Nil	Nil	1,443.98	Nil	Nil	1,257.59
Other Current Financial Liabilities	Nil	Nil	447.08	Nil	Nil	1,404.52

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B) Financial risk management

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. Management is responsible for developing and monitoring Company's risk management policies, under the guidance of Operations & Management Committee. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance. Audit Committee reviews investments at periodical intervals

i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds and financial institutions, foreign exchange transactions and other financial instruments.

a) Trade receivables

Customer credit risk is managed by each business unit subject to Company's established policy, procedures and control relating to customer credit risk management. Company extends credit only to customers based on its past dealings and outstanding customer receivables are being monitored by individual business managers located in those places. In most cases an appropriate letter of credit / bank guarantee is taken from the customers to cover the risk. The concentration of credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 5% of the total balance of trade receivables.

On account of adoption of IND AS 109, the Company uses ECL model to assess the impairment loss or gain. The Company uses a provision matrix to compute the ECL allowance for trade receivables.

Expected Credit Loss for Trade receivables under simplified approach

	(₹ in Million)	
	31.03.2018	31.03.2017
Gross Carrying Amount	1,917.10	1,750.51
Average Expected loss on Trade Receivables	12.97	16.31
Carrying amount of trade receivables (net of impairment)	1,904.13	1,734.20

b) Financial instruments

Credit risk arising from investment in mutual funds, bonds, debentures, preference shares, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the national and international credit rating agencies.

ii) Liquidity risk

Liquidity risk is the risk that Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft from banks at an optimised cost.

Company aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount required to meet expected cash outflows on financial liabilities over foreseeable future.

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The table below analysis derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Carrying amount	Payable within 1 year	More than 1 years	Total
As at 31.03.2018				
Non-derivative liabilities				
Borrowings	573.10	400.19	172.91	573.10
Trade Payables	1,443.98	1,443.98	Nil	1,443.98
Other Payables	219.59	216.53	3.06	219.59
As at 31.03.2017				
Non-derivative liabilities				
Borrowings	1,967.65	1,564.19	403.46	1,967.65
Trade Payables	1,257.59	1,257.59	Nil	1,257.59
Other Payables	843.12	840.33	2.79	843.12

iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. Company uses derivative financial instruments such as foreign exchange contracts & options to manage its exposures to foreign exchange fluctuations, as per foreign exchange exposure policy adopted by the Company.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

The analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities.

The sensitivity of the relevant income statement item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31st March 2018 and 31st March 2017.

a) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The currencies in which these transactions are primarily denominated are US dollars.

At any point in time, Company covers foreign currency risk by taking appropriate hedges as a percentage of its foreign currency exposure, in accordance with the policy as approved by the Board. Company uses forward exchange contracts to mitigate its currency risk, most with a maturity of less than one year from the reporting date. In respect of other monetary assets and liabilities denominated in foreign currencies, Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies through Swaps and Forwards.

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The following table analyses unhedged foreign currency risk – US Dollars from financial instruments as of 31st March 2018:

Particulars	(₹ in Million)	
	31.03.2018	31.03.2017
Trade Receivables	66.52	100.09
Other Financial Assets	0.33	1.93
Trade Payables	0.02	0.64
Borrowings	169.64	506.55
Other Financial Liabilities	2.93	4.81
Net Assets (liabilities)	239.44	408.70

For the year ended 31st March 2018 and 31st March, 2017 every percentage point depreciation / appreciation in the exchange rate between the Indian Rupee and respective currencies has affected the Company's incremental profit before tax as below:

Particulars	(₹ in Million)			
	31.03.2018		31.03.2017	
	Change in currency exchange rate	Effect on profit before tax	Change in currency exchange rate	Effect on profit before tax
US Dollars (USD)	+ 5%	(11.97)	+ 5%	(20.43)
	- 5%	11.97	- 5%	20.43

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligation with floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The use of interest rate swaps are also entered into, especially to hedge the floating rate borrowings or to convert the foreign currency floating interest rates to the domestic currency floating interest rates.

The interest rate profile of Company's interest bearing financial instruments as reported by management is as follows:

Particulars	(₹ in Million)	
	31.03.2018	31.03.2017
Foreign Currency Term Loan	573.10	967.65
	573.10	967.65

A reasonably possible change of 0.25 basis points in interest rates at the reporting date would have impacted profit before tax as below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	(₹ in Million)	
	31.03.2018	31.03.2017
Increase in interest rate by 0.25 %	1.43	2.42
Decrease in interest rate by 0.25 %	(1.43)	(2.42)

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c) Other Price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk for the Company arises from financial assets such as investments in equity instruments, liquid mutual funds, debt mutual funds and bonds.

The Company is exposed to price risk arising mainly from investments in debt mutual funds, equity instruments, debentures and bonds recognised at FVTPL. As at 31st March, 2018, the carrying value of such debt mutual funds, equity instruments, debentures and bonds recognised at FVTPL amounts to ₹ 1,350.34 million (Previous year ₹ 2,188.47 million). The details of such investments in equity instruments and bonds are given in Notes 7 and 12.

Investments in Debentures, Bonds and Debt Mutual Funds, being debt instruments, the exposure to risk of changes in market rates is minimal.

49. Fair Value of Investment Property:

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex and age of building. This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy. Fair value of Investment Property as on 31.03.2018 amounts to Nil (Pr. Yr. ₹ 7.35 million).

50. Related Party Disclosures as required by Ind AS 24 are given below

i) List of Related Parties with whom transactions have taken place and relationships:

a) Category I : Subsidiaries:

Dev-Dwarka Wind Project Ltd. (upto 29.06.2016)
 Nandurpathar Windfarm Ltd.
 Paramount Windfarm Pvt. Ltd.
 Air Power Windfarms Pvt. Ltd. (w.e.f 01.04.2016 and upto 27.02.2018)
 Vartaman WindEnergy Pvt. Ltd. (w.e.f 06.01.2017)
 Vespower Windfarm Pvt. Ltd. (w.e.f 05.01.2018)
 Gooty Windfarms Pvt. Ltd.
 Sovereign Windfarms Pvt. Ltd.

b) Category II: Associate

Air Power Windfarms Pvt. Ltd. (w.e.f 28.02.2018)

c) Category III : Directors, Key Management Personnel and their Relatives:

Mr. Naresh Oberoi	Chairman & Managing Director
Mr. Bharat Oberoi	Joint Managing Director
Ms. Vania Oberoi	Relative of the Key Management Personnel
Ms. Vara Oberoi	Relative of the Key Management Personnel
Dr. Geeta Oberoi	Relative of the Key Management Personnel
Ms. Renu Oberoi (w.e.f 20.03.2017)	Whole Time Director
Mr. Pradeep Gupta (w.e.f 02.09.2016)	Whole Time Director
Mrs Komal Nagdev	Company Secretary
Mr. Vijay Kumar	Chief Financial Officer
Mr. Shreekant Bhasin	Chief Executive Officer
Mr. Kharati Ram Puri	Non-Executive Director
Mr. Udai Dhawan	Nominee Director
Mr. Vibhav Parikh	Alternate Director
Mr. Dinesh Kumar	Non-Executive Director
Mr. Ghanshyam Das	Non-Executive Director
Mr. Krishen Dev	Non-Executive Director
Mr. Prakash Gurav	Non-Executive Director
Mrs. Veena Thadhani (w.e.f 02.09.2016 and upto 20.03.2018)	Non-Executive Director

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- d) **Category IV : Enterprise over which persons covered under Category III above are able to exercise significant control :**

Powerica Sales and Services Pvt. Ltd.
 Art Yarn Exports (India) Pvt. Ltd. (w.e.f. 02.09.2016)
 AWT Energy Pvt. Ltd. (w.e.f. 02.09.2016)
 Oberoi Family Trust.
 Nishkama Jagruti Developers Pvt. Ltd.

- e) **Category V: Post Employment Benefits planned entity**

Powerica Ltd employees group gratuity assurance trust

- ii) **Transactions during the year with related parties:**

(₹ in million)			
Transactions	Category	31.03.2018	31.03.2017
Investments made during the Year:			
Paramount Windfarm Pvt. Ltd.	I	Nil	7.38
Air Power Windfarms Pvt. Ltd.	I	2.40	0.10
Vartaman Wind Energy Pvt. Ltd.	I	2.40	0.20
Soverign Windfarms Pvt. Ltd.	I	0.10	Nil
Gooty Windfarms Pvt. Ltd.	I	0.10	Nil
Vespower Windfarm Pvt. Ltd.	I	0.10	Nil
Investments sold during the year:			
Dev-Dwarka Windproject Ltd.	I	Nil	5.00
Air Power Windfarms Pvt. Ltd.	I	1.25	Nil
Buyback of Equity Shares:			
Ms. Vania Oberoi	III	Nil	161.84
Ms. Vara Oberoi	III	Nil	161.84
Dr. Geeta Oberoi	III	Nil	323.68
Erection, Installation & Other Services rendered:			
Dev-Dwarka Windproject Ltd.	I	Nil	98.13
Air Power Windfarms Pvt. Ltd.	II	170.82	Nil
Purchases:			
AWT Energy Pvt. Ltd.	IV	3.26	4.09
Services Received:			
AWT Energy Pvt. Ltd.	IV	13.28	13.21
Nandurpathar Windfarm Ltd.	I	8.61	Nil
Rent Income:			
Powerica Sales & Services Pvt. Ltd.	IV	Nil	0.04
Dev-Dwarka Windproject Ltd.	I	Nil	0.09
Nandurpathar Windfarm Ltd.	I	0.08	0.21
Paramount Windfarm Pvt. Ltd.	I	0.12	0.17
Airpower Windfarm Pvt. Ltd.	I	0.10	0.13
	II	0.01	Nil
Vartaman Wind Energy Pvt. Ltd.	I	0.06	0.01
AWT Energy Pvt. Ltd.	IV	0.96	0.74
Art Yarn Exports (India) Pvt. Ltd.	IV	1.80	1.05
Soverign Windfarms Pvt. Ltd.	I	0.13	Nil

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Gooty Windfarms Pvt. Ltd.	I	0.03	Nil
Vespower Windfarm Pvt. Ltd.	I	0.06	Nil
Expenses Incurred, Re-imbursed to us:			
Nandurpathar Windfarm Ltd	I	₹ 1,560	0.01
Airpower Windfarm Pvt. Ltd.	I	2.73	Nil
	II	1.48	Nil
Soverign Windfarms Pvt. Ltd.	I	0.55	Nil
Gooty Windfarms Pvt. Ltd.	I	0.02	Nil
Paramount Windfarm Pvt. Ltd.	I	₹ 3,517	Nil
Vespower Windfarm Pvt. Ltd.	I	0.35	Nil
Powerica Sales and Services Pvt. Ltd.	IV	0.08	Nil
Dev-Dwarka Windproject Ltd.	I	Nil	3.00
Re-imburement of Expenses:			
AWT Energy Pvt. Ltd.	IV	0.01	0.06
Rent Expenses:			
Oberoï Family Trust	IV	1.80	1.80
Loan Given:			
Air Power WindFarms Pvt. Ltd.	I	10.00	1.50
	II	37.75	Nil
Nandurpathar Windfarm Ltd.	I	1.00	1.00
Vartaman Wind Energy Pvt. Ltd.	I	12.50	4.00
Soverign Windfarms Pvt. Ltd.	I	5.00	Nil
Director Sitting Fees & Commission:			
Mr. Udai Dhawan	III	0.10	0.12
Mr. Dinesh Kumar	III	0.72	1.68
Mr. Ghanshyam Dass	III	0.70	1.60
Mr. Krishen Dev	III	0.70	1.68
Mr. Prakash Gurav	III	0.76	1.70
Mr. Kharati Ram Puri	III	0.10	0.08
Mr. Vibhav Parikh	III	0.10	Nil
Mrs. Veena Thadhani	III	0.06	Nil
Key Management Compensation:			
Short Term Employment Benefits			
Mr. Naresh Oberoi	III	45.87	54.54
Mr. Bharat Oberoi	III	36.47	45.73
Mr. Renu Oberoi	III	12.27	0.39
Mr. Pradeep Gupta	III	13.04	3.80
Mrs. Komal Motwani	III	1.62	1.25
Mr. Shreekant Bhasin	III	6.74	16.12
Mr. Vijay Kumar	III	8.39	8.07
Post Employment Benefits	III	0.77	1.18
Advance/Loan Repaid:			
Mr. Bharat Oberoi	III	Nil	11.15
Air Power WindFarms Pvt. Ltd.	I	Nil	0.50
Nandurpathar Windfarm Ltd.	I	Nil	0.50
Sale of Fixed Assets:			
Mr. Shreekant Bhasin	III	Nil	0.20

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Contributions made to Group Gratuity Trust through premium paid to LIC:			
Premium Paid	V	16.53	13.57
Interest Income:			
Nandurpathar Windfarm Ltd	I	0.13	0.02
Air Power Windfarms Pvt. Ltd.	I	0.59	0.08
	II	0.23	Nil
Vartaman Wind Energy Pvt. Ltd.	I	1.01	0.05
Soverign Windfarms Pvt. Ltd.	I	0.38	Nil
Dev-Dwarka Windproject Ltd.	I	Nil	7.05

iii) Outstanding as at Balance Sheet Date:

(₹ in million)

	Category	31.03.2018	31.03.2017
Receivables:			
Powerica Ltd employees group gratuity assurance trust	V	6.46	0.86
Air Power WindFarms Pvt. Ltd.	II	112.16	Nil
Vespower Windfarm Pvt. Ltd.	I	0.35	Nil
Payables:			
AWT Energy Pvt. Ltd.	IV	Nil	0.98
Mr. Kharati Ram Puri	III	Nil	0.02
Mr. Udai Dhawan	III	Nil	0.02
Rent Deposits:			
Oberoi Family Trust	IV	0.45	0.45
Investments:			
Nandurpathar Windfarm Ltd	I	22.00	22.00
Paramount Windfarm Pvt. Ltd	I	9.98	9.98
Airpower Windfarm Private Ltd.	I	Nil	0.10
	II	1.25	Nil
Vartaman Wind Energy Pvt. Ltd.	I	2.60	0.20
Soverlgn Windfarms Pvt. Ltd.	I	0.10	Nil
Cooly Windfarms Pvt. Ltd.	I	0.10	Nil
Vespower Windfarm Pvt. Ltd.	I	0.10	Nil
Loan Given:			
Air Power WindFarms Pvt. Ltd.	I	Nil	1.00
	II	48.75	Nil
Nandurpathar Windfarm Ltd.	I	1.50	0.50
Vartaman Wind Energy Pvt. Ltd.	I	16.50	4.00
Soverign Windfarms Pvt. Ltd.	I	5.00	Nil

Company has completed an independent evaluation for all transactions, for the year ended 31.03.2018 and for the year ended 31.03.2017 to determine whether the transactions with associate enterprises are undertaken at arm's length price based on the internal pricing review and validation, Company believes that all transaction with associated enterprises are on arm's length basis.

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivable or payable.

51.

- a) During the year, the Company has made additional Capital Contribution in following subsidiaries:
- ₹ 0.24 million in Airpower Windfarm Pvt. Ltd.,
 - ₹ 0.24 million in Vartaman Wind Energy Pvt. Ltd.
- b) During the year, the Company acquired/subscribe to the equity stake of the following subsidiaries:
- 100% equity stake in Sovereign Windfarms Pvt. Ltd., at a total cost of ₹ 0.10 million.
 - 100% equity stake in Gooty Windfarms Pvt. Ltd., at a total cost of ₹ 0.10 million.
 - 100% equity stake in Vespover Windfarm Pvt. Ltd., at a total cost of ₹ 0.10 million.
- c) During the year, the Company has transferred its 50% shareholding in Airpower Windfarm Pvt. Ltd. for ₹ 1.25 million to Vestas Wind Technology India Private Limited. Consequently, Airpower Windfarm Pvt. Ltd. has become an Associate of the Company.

52. Income Taxes:

a) Tax Expense Recognised in Profit and Loss:

	(₹ in million)	
	31.03.2018	31.03.2017
Current Tax Expense for the year	254.33	283.74
Adjustment for current tax of prior periods	0.78	(20.85)
MAT Credit Entitlement	(0.93)	(31.57)
MAT Credit Entitlement of prior periods written back (off)	(4.88)	-
Net Current tax expenses	249.30	231.32
Deferred tax expense/(benefit), net		
Origination and reversal of timing difference	(112.88)	(145.49)
Tax Expense for the year	136.42	85.83

b) Tax Expense Recognised in Other Comprehensive Income:

	(₹ in million)	
	31.03.2018	31.03.2017
Items that will be reclassified to profit or loss in subsequent years:	Nil	Nil
Items that will not be reclassified to profit or loss in subsequent years:		
Re-measurement gains (losses) on defined benefits plans	(1.44)	3.00
Total	(1.44)	3.00

c) Reconciliation of effective tax rate:

	(₹ in million)	
	31.03.2018	31.03.2017
Profit Before Tax	1,132.04	1,296.55
Tax using the Company's domestic tax rate @ 34.608 %	391.78	448.71
Tax Effect Of:		
Expenses not deductible	2.62	1.38
Tax Effect which is chargeable at different rates	(31.81)	(86.45)
Exemption of profit linked incentives	(175.18)	(191.36)
Investment Allowance	-	(48.85)
Income not taxable	(37.71)	(9.19)
Others	(9.18)	(7.56)
Current and Deferred Tax Expense (excluding prior year taxes) as per note 52(a)	140.52	106.68

POWERICA LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

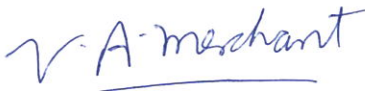
d) Movement in Deferred Tax Balances:

	(₹ in million)	
Particulars	31.03.2018	31.03.2017
Deferred Tax Liabilities		
Property, Plant and equipment	856.63	976.77
Gain on Financial Instruments at fair value through profit & loss	35.97	15.55
Total Deferred Tax Liabilities	892.60	992.33
Deferred Tax Asset		
Leave Encashment	12.22	10.76
Bonus	22.13	19.93
Re- measurement gains(losses) on defined benefit plans	1.16	3.20
MAT Credit Entitlement	657.37	651.56
Others	13.28	3.21
Total Deferred Tax Asset	706.16	688.66
Deferred tax liabilities after set off	186.44	303.67

53. The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable loss. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standard for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

For Jayantilal Thakkar & Co.
Chartered Accountants

For and on behalf of the Board


Viral A. Merchant
Partner



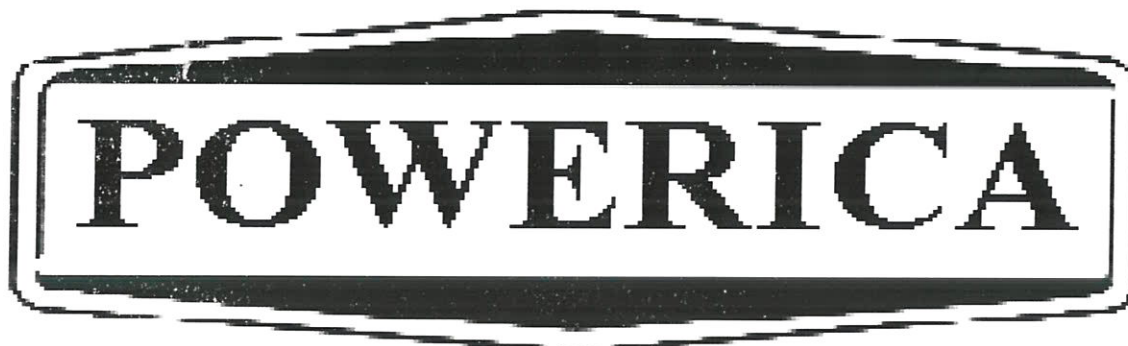

Maresh C. Oberoi
Chairman & Managing Director
DIN: 00009000


Vijay Kumar
Chief Financial Officer


Bharat Oberoi
Jt. Managing Director
DIN: 00083664


Ms. Komal Nagdev
Company Secretary

Mumbai, 24th May, 2018



CONSOLIDATED FINANCIALS

FOR THE YEAR ENDED

31ST MARCH, 2018

POWERICA LIMITED

A PROMISE FOR POWER

INDEPENDENT AUDITOR'S REPORT

To The Members of Powerica Limited

Report on the Consolidated Indian Accounting Standards ('Ind AS') Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Powerica Limited** (herein after referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate which comprise the consolidated balance sheet as at 31st March, 2018, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors, referred to in the Other Matters paragraph below, the aforesaid consolidated Ind AS 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, of the consolidated financial position of the Group as at 31st March, 2018, and its consolidated financial performance (including other comprehensive income), its consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

- 1) The comparative financial information of the Group for the year ended 31st March, 2017 included in these consolidated Ind AS financial statements, are based on previously issued consolidated financial statements audited by predecessor auditor whose report for the year ended 31st March, 2017 dated 4th September, 2017 expressed an unmodified opinion on those consolidated financial statements.



- 2) We have not audited the financial statements and other financial information of all the subsidiaries and an associate. These subsidiaries account for total assets of ₹24.98 million as at 31st March 2018, net loss of ₹2.28 million and revenue of ₹8.67million and net cash inflows amounting to ₹7.54million for the year ended 31st March, 2018. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹0.02 million for the year ended 31st March 2018, in respect of an associate, whose financial statements and other financial information have not been audited by us.

These financial statements and financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of section 143 (3) of the Act, insofar as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of its subsidiaries and an associate, as noted in the 'other matters' paragraph, we report, to the extent applicable, that:

- (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit of aforesaid consolidated Ind AS financial statements;
- (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- (c) the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the relevant rules issued thereunder;



- (e) on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group including its associate is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.;
- (f) with respect to internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiaries and its associate, as noted in the 'Other matter' paragraph:
- the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 39 to the consolidated Ind AS financial statements;
 - the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
 - there is no amount required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies; and



For Jayantilal Thakkar & Co.
Chartered Accountants
(Firm Reg. No. 104133W)

V. A. Merchant

Viral A. Merchant
Partner
Membership No. 116279

Mumbai,
Dated: 24th May, 2018

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in para 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **POWERICA LIMITED** on the Consolidated Ind AS financial statements for the year ended 31st March, 2018.)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial Ind AS statements of Powerica Limited ("the Holding Company") as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Holding Company and its subsidiary companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company and its subsidiary companies, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the Other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Holding Company and its subsidiary companies have in all material respects, an internal financial controls with reference to financial statements over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary companies, is solely based on the corresponding reports of the auditors of such companies.



For Jayantilal Thakkar & Co.
Chartered Accountants
(Firm Reg. No. 104133W)

V. A. Merchant

Viral A. Merchant
Partner
Membership No. 116279

Mumbai,
Dated: 24th May, 2018

POWERICA LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

	Note No.	₹ in Million	
		As at	
		31.03.2018	31.03.2017
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	6	6,706.60	7,514.86
Capital Work-in-Progress	6	157.37	76.18
Goodwill on Consolidation		0.23	0.23
Investment Property	6	-	4.08
Intangible Assets	6	30.67	12.76
Financial Assets:			
Investments	7	830.47	1,265.52
Loans	8	3.74	4.30
Other Financial Assets	9	36.33	33.86
Non-Current Tax Assets (Net)		92.17	40.51
Other Non-Current Assets	10	433.19	200.62
		8,290.77	9,152.92
Current Assets:			
Inventories	11	1,145.77	1,106.98
Financial Assets:			
Investments	12	521.10	922.95
Trade Receivables	13	1,904.13	1,734.38
Cash and Cash Equivalents	14	73.61	391.72
Other Bank Balances	15	12.07	16.60
Loans	16	54.82	11.18
Other Financial Assets	17	117.30	64.26
Other Current Assets	18	566.69	250.74
		4,395.49	4,498.81
		12,686.26	13,651.73
Total Assets			
Equity and Liabilities:			
Equity:			
Equity Share Capital	19	76.18	76.18
Other Equity		9,253.32	8,256.36
		9,329.50	8,332.54
Liabilities:			
Non-Current Liabilities:			
Financial Liabilities:			
Borrowings	20	172.91	403.46
Other Financial Liabilities	21	3.06	2.79
Other Non-Current Liabilities	22	224.10	235.58
Provisions	23	37.74	30.47
Deferred Tax Liabilities (Net)		186.44	303.67
		624.25	975.97
Current Liabilities:			
Financial Liabilities:			
Borrowings	24	169.64	1,000.00
Trade Payables	25	1,446.27	1,257.72
Other Financial Liabilities	26	447.81	1,404.78
Other Current Liabilities	27	651.96	665.49
Provisions	28	16.83	15.23
		2,732.51	4,343.22
		12,686.26	13,651.73
Total Equity & Liabilities			

The accompanying notes are integral part of these consolidated financial statements

As per our report of even date

For Jayantilal Thakkar & Co.

Chartered Accountants

V. A. Merchant

Viral A. Merchant
Partner



Mumbai, 24th May, 2018

For and on Behalf of the Board

Naresh C. Oberoi
Naresh C. Oberoi
Chairman & Managing Director
DIN: 00009000

Vijay Kumar
Vijay Kumar
Chief Financial Officer

Bharat Oberoi
Bharat Oberoi
Jt. Managing Director
DIN: 00083664

Komal Nagdev
Mrs. Komal Nagdev
Company Secretary

POWERICA LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

	Note No.	₹ in Million	
		Year Ended	Year Ended
		31.03.2018	31.03.2017
Income			
Revenue from Operations	29	12,631.35	14,062.92
Other Income	30	327.09	348.04
		12,958.44	14,410.96
Expenses:			
Cost of Raw Materials Consumed	31	7,305.55	7,889.94
Purchase of Stock-In-Trade	32	799.85	774.19
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	33	-24.89	60.73
Excise Duty on Sales		253.96	991.58
Employee Benefit Expense	34	982.97	957.53
Finance Cost	35	101.33	221.91
Depreciation & Amortization Expense	36	889.20	891.36
Other Expenses	37	1,519.79	1,329.84
		11,827.76	13,117.08
Profit Before Share of Profit (Loss) of Associate		1,130.68	1,293.88
Share of Profit (Loss) of Associate		(0.02)	-
Profit Before Tax		1,130.66	1,293.88
Tax Expense			
Current Tax	54	255.11	262.89
Deferred Tax Charge (Credit)	54	(112.88)	(145.49)
MAT Credit Entitlement		(0.93)	(31.57)
MAT Credit Entitlement of Earlier Years Written Back (Off)		(4.88)	-
Profit for the Year attributable to the owners of the Company		994.24	1,208.05
Other Comprehensive Income			
Other Comprehensive Income to be reclassified to profit or loss in subsequent years:		-	-
Other Comprehensive Income not to be reclassified to profit or loss in subsequent years:			
Re-measurement gains (losses) on defined benefits plans		4.16	(8.66)
Income Tax Effect on above		-1.44	3.00
Net other Comprehensive Income not to be reclassified to profit or loss in subsequent years		2.72	(5.66)
Other Comprehensive Income for the year, net of tax		2.72	(5.66)
Total Comprehensive Income for the year, net of tax attributable to the owners of the Company		996.96	1,202.39
There are no Exceptional Items and Discontinuing Operations			
Earning per share of Face Value of ₹ 2/- each			
Basic & Diluted (₹)	40	26.17	30.01

The accompanying notes are integral part of these consolidated financial statements

As per our report of even date
For Jayantilal Thakkar & Co.
Chartered Accountants

For and on Behalf of the Board

V.A. Merchant

Viral A. Merchant
Partner



N. C. Oberoi

Naresh C. Oberoi
Chairman & Managing Director
DIN: 00009000

Vijay Kumar
Vijay Kumar
Chief Financial Officer

Bharat Oberoi

Bharat Oberoi
Jt. Managing Director
DIN: 00083664

Komal
Mrs. Komal Nagdev
Company Secretary

Mumbai, 24th May, 2018

POWERICA LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	31.03.2018 (₹ in Million)	31.03.2017 (₹ in Million)
A Cash flows from Operating Activities		
Net Profit before Tax	1,130.66	1,293.88
Adjustments for:		
Depreciation	889.20	891.36
Net (Gain) Loss on Sale of Property, Plant and Equipments	(108.98)	(26.54)
Net (Gain) Loss on Sale of Investment Properties	(5.30)	(3.16)
Dividend from Current Investments	(0.01)	(0.09)
Sundry Balances Written off (Back)	12.03	2.05
Provision for Doubtful Debts	(3.34)	0.26
Net (Gain) Loss on Financial Assets measured at FVTPL	(99.85)	(214.97)
Net (Gain) Loss on Derivative Contracts measured at FVTPL	(3.09)	(13.08)
Gain on Disposal of Subsidiary	(1.18)	(12.60)
Unrealised Foreign Variation Loss (Net)	1.47	(94.89)
Interest Expense	101.33	221.91
Interest Income	(86.70)	(41.14)
Operating Profit before Working Capital Changes	1,826.24	2,002.99
Adjustments for:		
Decrease (Increase) in Trade Receivable	(175.53)	(61.12)
Decrease (Increase) in Other Non-Current Financial Assets	(1.90)	0.42
Decrease (Increase) in Other Non-Current Assets	4.07	(2.29)
Decrease (Increase) in Other Current Financial Assets	2.40	1.59
Decrease (Increase) in Other Current Assets	(318.54)	290.51
Decrease (Increase) in Inventories	(38.79)	67.24
Increase (Decrease) in Other Non-Current Financial Liabilities	0.27	1.30
Increase (Decrease) in Other Non-Current Liabilities	(11.48)	235.58
Increase (Decrease) in Other Current Financial Liabilities	(22.54)	24.90
Increase (Decrease) in Other Current Liabilities	(14.89)	(220.56)
Increase (Decrease) in Current Provisions	5.76	(3.87)
Increase (Decrease) in Non-Current Provisions	7.26	13.55
Increase (Decrease) in Trade Payables	187.95	(296.05)
Cash Generated from Operations	1,450.28	2,054.19
Interest Received	39.47	49.59
Direct Taxes (Paid) Refund (Net)	(306.82)	(246.53)
Net Cash from Operating Activities (A)	1,182.93	1,857.25

POWERICA LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	31.03.2018 (₹ in Million)	31.03.2017 (₹ in Million)
B Cash flows from Investing Activities		
Purchase of Property, Plant and Equipment	(1,018.65)	(287.87)
Sale of Property, Plant and Equipment	148.88	80.90
Sale of Investment Property	9.26	12.20
Purchase of Intangibles	(29.54)	(5.43)
Loans Given to Associate	(48.75)	-
(Purchase) Sale of Current Investments	591.61	397.49
(Purchase) Sale of Non - Current Investments	345.14	93.43
Gain on Disposal of Subsidiary	1.18	12.60
Decrease (Increase) in Bank Balances other than Cash & Cash Equivalents	4.53	(3.94)
Dividend from Current Non-Trade Term Investments	0.01	0.09
Net Cash from Investing Activities (B)	3.67	299.47
C Cash flows from Financing Activities		
Repayment of Borrowings	(1,564.19)	(1,834.21)
Proceeds from Borrowings	169.77	1,000.00
Buy Back of Equity Shares	-	(860.90)
Interest Paid	(110.29)	(224.36)
Net Cash from Financing Activities (C)	(1,504.71)	(1,919.48)
Net Increase (Decrease) in Cash & Cash Equivalents (A+B+C)	(318.11)	237.24
Cash and Cash Equivalents as at the beginning of the year	391.72	154.48
Cash and Cash Equivalents as at the end of the year	73.61	391.72

Note: 1) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

2) Reconciliation of liabilities arising from financial activities:

Particulars	As on 01.04.2017	Cash Flows	Non- Cash Changes	As on 31.03.2018
			Foreign Exchange Movement	
Non-Current Financial Liabilities Borrowings (Including Current maturities of long-term debt)	967.65	-564.19	-	403.46
Current Financial Liabilities Borrowings	1,000.00	-830.23	(0.13)	169.64
Interest Accrual (Paid)	11.89	-110.29	-	2.93
Total Liabilities from Financial Activities	1,979.54	-1,504.71	-0.13	576.03

The accompanying notes are integral part of these consolidated financial statements

As per our report of even date
For Jayantilal Thakkar & Co.
Chartered Accountants

Viral A. Merchant
Partner



Mumbai, 24th May, 2018

For and on behalf of the Board

Naresh C. Oberoi
Chairman & Managing Director
DIN: 00009000

Vijay Kumar
Chief Financial Officer

Bharat Oberoi
Jt. Managing Director
DIN: 00083664

Mrs. Komal Nagdev
Company Secretary



POWERICA LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

A. EQUITY SHARE CAPITAL

₹ in Million

Particulars	Balance as at 01.04.2016	Changes in Equity Share Capital during the year	Balance as at 01.04.2017	Changes in Equity Share Capital during the year	Balance as at 31.03.2018
Authorised	200.00	-	200.00	-	200.00
Issued, Subscribed & Paid up	84.25	8.06	76.18	-	76.18

B. OTHER EQUITY

₹ in Million

Particulars	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	General Reserve	Retained Earnings	Other Items of other Comprehensive income (Re- measurement gains (losses) on defined benefits plans)	Total Equity
As at 01.04.2016	1.39	9.36	621.08	1,136.83	6,138.54	(0.39)	7,906.81
Profit for the Period	-	-	-	-	1,208.05	-	1,208.05
Other Comprehensive Income	-	-	-	-	-	(5.66)	(5.66)
Total Comprehensive Income	1.39	9.36	621.08	1,136.83	7,346.59	(6.05)	9,109.20
Utilised for Buyback of Equity Shares	-	-	(621.08)	(116.59)	-	-	(737.67)
Transfer to Capital Redemption Reserve	-	8.07	-	(8.07)	-	-	-
Tax on Buyback of Shares	-	-	-	(115.17)	-	-	(115.17)
As at 31.03.2017	1.39	17.43	-	896.99	7,346.59	(6.05)	8,256.36
Profit for the Period	-	-	-	-	994.24	-	994.24
Other Comprehensive Income	-	-	-	-	-	2.72	2.72
As at 31.03.2018	1.39	17.43	-	896.99	8,340.83	(3.32)	9,253.32

The accompanying notes are integral part of the financial statements

As per our report of even date
For Jayantilal Thakkar & Co.
Chartered Accountants

V. A. Merchant
Viral A. Merchant
Partner

For and on Behalf of the Board

N. C. Oberoi
Nimesh C. Oberoi
Chairman & Managing Director
DIN: 00009000
Vijay Kumar
Vijay Kumar
Chief Financial Officer

Bharat Oberoi
Bharat Oberoi
Jt. Managing Director
QIN: 00083664
Komal Nagdev
Mrs. Komal Nagdev
Company Secretary

Mumbai, 24th May, 2018



POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

1. Corporate Information

Powerica Limited is a closely held public limited company incorporated and domiciled in India. The registered office of the company is located at 9th Floor, Bakhtawar, Nariman Point, Mumbai. The Consolidated Financial Statements ("CFS") comprises the Company and its subsidiaries and its associate (referred to collectively as the "Group")

The Group is engaged in business of manufacturing, trading and other services related to diesel generating sets and generation of electricity from Wind Turbine Generators.

The Consolidated Financial Statements for Company for the year ended 31st March 2018 are approved for issue by the Company's Board of Directors on 24th May, 2018.

2. Basis of preparation

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The accounting policies are applied consistently to all the periods presented in the financial statements. The consolidated financial statements have been prepared on an accrual basis and going concern basis and under the historical cost basis unless otherwise indicated.

The consolidated financial statements are prepared in Indian Rupees ('INR or 'Rupees' or 'Rs.' or '₹') which is the functional currency for the Group.

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest million. Amount less than ₹ 5,000/- are shown as actual.

3. Current versus non-current classification

The assets and liabilities in the balance sheet are presented based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle, or
- Held primarily for the purpose of trading, or
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle, or
- Held primarily for the purpose of trading, or
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are treated as non-current.

Deferred tax assets and liabilities, as applicable are classified as non-current assets and liabilities respectively.

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

4. Significant Accounting Policies

4.1 Principles of Consolidation:

Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of the Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances as mentioned in those policies.

Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the Consolidated Statement of Profit and Loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee depending on the level of influence retained.

Associates

Associates are those entities over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies. Significant influence is presumed to exist when the Company holds more than 20% of the voting power of another entity.

Investments in associates are accounted for using the equity method (equity accounted investees) and are initially recognized at cost. The carrying value of the Company's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Company does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

Basis of Consolidation

The Consolidated Financial Statements comprise the financial statement of the Holding Company and its wholly owned subsidiaries and associate as disclosed in Note 38.

The financial statements of the Holding Company and its wholly owned subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after eliminating intra-group balances, intra-group transactions and unrealised profits resulting there from and are presented to the extent possible, in the same manner as the Groups' independent financial statements. The Statement of Profit and Loss and each component of other comprehensive income are attributed to equity shareholders of the Holding Company of the Group.

Investment in Associate has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures. The Company accounts for its share of post-acquisition changes in net assets of associate, after eliminating unrealised profits and losses resulting from transactions between the Company and its associate to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.

The financial statements of the subsidiaries and associate used in consolidation are drawn upto the same reporting date as that of the Holding Company i.e. year ended 31st March, 2018.

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

4.2 Property, plant and equipment

(a) Recognition and measurement:

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, and other cost directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

All identifiable Revenue expenses including interest incurred in respect of various projects/ expansion, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(b) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the group.

(c) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives prescribed under Schedule II to the Companies Act, 2013 using the diminishing balance method, and is recognised in the statement of profit or loss. Freehold land is not depreciated. Premium on leasehold land has been amortised over the period of lease.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which the asset is ready for use (disposed of).

4.3 Intangible Assets

(a) Recognition and measurement

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the assets can be measured reliably.

Intangible assets are stated at cost or acquisition less accumulated amortisation and impairment loss, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

(b) Amortisation

Software is amortised over a period of three years on straight line basis from the date they are available for intended use, subject to impairment test. Rights of way are amortised over the period of agreement of right to use.

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

(c) De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets is de-recognised.

4.4 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets:

Classification:

Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value (FVTPL /FVTOCI)
- Financial assets at amortised cost

When assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in other comprehensive income (i.e. fair value through other comprehensive income (FVTOCI)).

Financial Assets measured at amortised cost (net of any write down for impairment, if any):

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial Assets measured at Fair Value through Profit or Loss ("FVTPL"): Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Financial Assets measured at Fair Value through Other Comprehensive Income ("FVTOCI"):

Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets. Fair value movements are recognized in the other comprehensive income.

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

Investment in Debt Instruments:

A debt instrument is measured at amortised cost or at FVTOCI. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

De-recognition of Financial Assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or Group has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets:

In accordance with Ind - AS 109, Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

Financial Liabilities:

Classification:

Group classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs.

Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

Derivative Financial Instrument:

Group uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

4.5. Impairment of Non-Financial Assets:

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated amortisation or depreciation) has no impairment loss been recognised for the asset in prior years.

4.6 Inventories:

In case of Holding Company:

Raw materials are valued at cost or estimated net realisable value. Cost for this purpose includes basic cost of materials and all identifiable direct cost and includes taxes and duties and is net of eligible credits under CENVAT/VAT/GST schemes.

Finished goods are valued at lower of cost or estimated realisable value. Cost for this purpose comprises of Raw Material cost and proportionate overheads allocated on the assumption of normal operating capacity.

Traded goods are valued at lower of cost or estimated realisable value.

Work-in-progress are valued at estimated cost.

Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Materials and other items held for use in production of inventories are not written down, if the finished products in which they will be used are expected to be sold at or above cost.

In case of Subsidiaries:

Work-in-Progress includes internal development cost, external development cost, construction costs, overheads, borrowing costs, development/construction materials and are valued at cost/estimated cost.

4.7. Cash and Cash Equivalent:

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.8. Cash Flow Statements:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of Group are segregated.

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

4.9. Foreign Currency Transactions:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are re-measured at the exchange rate prevailing on the balance sheet date. Non-monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the Statement of Profit and Loss except for:

Exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed before 1st April 2016 at rates different from those at which they were initially recorded or reported in the previous financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets.

4.10. Revenue Recognition:

Sale of Products:

Revenue from sale of products is recognised when the group transfers all significant risks and rewards of ownership to the buyer, while the Group retains neither continuing managerial involvement nor effective control over the products sold.

Rendering of Services:

Revenue from services is recognised when the stage of completion can be measured reliably. Stage of completion is proportion of milestone achieved to total estimated contract cost.

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty, excluding Goods and Service Tax (GST) or sales tax or value added taxes or service taxes or duties collected on behalf of the government, and net of returns, trade discount/allowances, rebates, and amounts collected on behalf of third parties.

Dividend income is recognised when right to receive dividend is established. Interest income is recognised on effective interest method. Insurance and other claims are recognised as a revenue on certainty of receipt on prudent basis.

Sale of Certified Emission Reductions (CER's) is recognised as income on the delivery of the CER's to the customer's account as evidenced by the receipt of confirmation of execution of delivery instructions.

4.11. Employee Benefits:

In case of Holding Company:

All employee benefits payable wholly within twelve months rendering service are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, performance incentives etc., and the expected cost of bonus, ex gratia are recognised during the period in which the employee renders related service.

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

(i) Defined benefit plans

Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with Company.

Liabilities with regard to Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the Projected Unit Credit Method.

Company fully contributes all ascertained liabilities to the Powerica Limited Employees Group Gratuity Assurance Scheme (the Trust). Trustees administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by laws of India.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. The effect of any plan amendments are recognized in the statement of profit and loss.

(ii) Defined contribution plans:

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits. Company pays provident fund contributions to publicly administered provident funds as per local regulations. Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iii) Compensated absences:

Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised liability at the present value of the defined benefit obligation at the balance sheet date.

Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

In case of Subsidiaries:

All employee benefits payable wholly within twelve months rendering service are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex gratia are recognised during the period in which the employee renders related service.

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

4.12. Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.13. Lease:

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Leases rentals are charged to the statement of profit and loss on straight line basis.

4.14. Earnings Per Equity Share:

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

4.15. Income Taxes:

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.16. Dividends to Shareholders:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

4.17. Provisions, Contingent Liabilities, Contingent Assets and Commitments:

Provisions are recognised when Group has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its 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. If there is any expectation that some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any virtually certain reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- possible obligation which will be confirmed only by future events not wholly within the control of the Group, or
- present obligations arising from past events where it is probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

4.18. Fair Value:

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or,
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – inputs that are unobservable for the asset or liability

For assets and liabilities that are recognised in the financial statements on a recurring basis, Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

4.19. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company.

The CODM is responsible for allocating resources and assessing performances of the operating segments of the Company.

4.20. Investment Property:

Investment property is property either to earn rental income or for capital expenditure or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

On transition to Ind AS, the Group has elected to continue with the carrying value of all its investment property recognized as at 1st April, 2015 measured as per the previous GAAP and use the carrying value as the deemed cost of such investment property.

Depreciation is calculated on investment properties over estimated useful lives of relevant type of buildings prescribed under Schedule II to the Companies Act, 2013 using the diminishing balance method, and is recognised in the statement of profit or loss. Any gain or loss on disposal of an investment property is recognized in profit or loss.

The fair values of investment property are disclosed in notes. Fair values are determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in location and category of the investment property being valued.

4.21. Business Combinations:

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The pooling of interest method is considered to involve the following:

- i) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies
- iii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- iv) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

5 Use of Estimates and Judgements:

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize. Estimates and underlying assumptions are reviewed on an ongoing basis.

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

- Measurement of defined benefit obligations (Refer note 4.11)
- Measurement and likelihood of occurrence of provisions and contingencies (Refer note 4.17)
- Recognition of deferred tax assets (Refer note 4.15)
- Useful lives of property, plant, equipment, intangibles and investment properties (Refer note 4.2, 4.3& 4.20)
- Impairment of Intangibles (Refer note 4.3)
- Impairment of financial assets (Refer note 4.4)
- Determination of stage of completion for services rendered (Refer note 4.10)

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

6. PROPERTY, PLANT AND EQUIPMENTS, INTANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS

₹ in Million

Current Year

DESCRIPTION	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK
	OPENING	ADDITIONS	DEDUCTION / ADJUSTMENTS	CLOSING	OPENING	FOR THE YEAR	DEDUCTION / ADJUSTMENTS	CLOSING	CLOSING
(A) Property, Plant and Equipment:									
Freehold Land	243.32	5.43	-	248.75	-	-	-	-	248.75
Leasehold Land	72.24	-	-	72.24	1.74	1.22	-	2.95	69.28
Buildings	1,856.72	2.09	69.90	1,788.91	672.27	69.87	34.24	707.91	1,081.01
Roads	39.53	2.66	-	42.19	25.15	4.57	-	29.73	12.46
Plant & Machineries	635.70	45.34	43.44	637.60	409.60	45.43	43.44	411.58	226.02
Windmills	10,478.81	-2.34	-	10,476.47	4,805.50	713.78	-	5,519.28	4,957.19
Office Equipments	54.59	2.08	0.68	55.99	44.98	4.28	0.64	48.62	7.37
Furniture & Fixtures	80.87	3.66	2.98	81.55	60.84	5.93	2.53	64.24	17.31
Computers	58.97	9.69	0.54	68.12	50.83	7.20	0.51	57.52	10.60
Vehicles	220.85	40.47	24.26	237.06	155.82	25.16	20.53	160.45	76.62
Sub-Total	13,741.60	109.08	141.80	13,708.88	6,226.74	877.44	101.89	7,002.29	6,706.60
(B) Intangible:									
Software	26.52	29.54	-	56.07	22.68	11.55	-	34.23	21.84
Others	9.00	-	-	9.00	0.08	0.09	-	0.17	8.83
Total (B)	35.52	29.54		65.06	22.76	11.64	-	34.40	30.67
Total (A+B)	13,777.12	138.62	141.80	13,773.94	6,249.50	889.08	101.89	7,036.69	6,737.27
(C) Investment Property:									
Residential Buildings	4.51	-	4.51	-	0.43	0.12	0.55	-	-
Total (C)	4.51	-	4.51	-	0.43	0.12	0.55	-	-
(D) Capital Work in Progress									157.37
Total Fixed Assets (A) +(B)+(C)+(D)	13,781.63	138.62	146.31	13,773.94	6,249.93	889.20	102.44	7,036.69	6,894.64

Previous Year									(₹ in Million)
DESCRIPTION	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK
	OPENING	ADDITIONS	DEDUCTION / ADJUSTMENTS	CLOSING	OPENING	FOR THE YEAR	DEDUCTION / ADJUSTMENTS	CLOSING	CLOSING
(A) Property, Plant and Equipment:									
Freehold Land	231.15	12.17	-	243.32	-	-	-	-	243.32
Leasehold Land	7.11	65.13	-	72.24	1.10	0.64	-	1.74	70.50
Buildings	1,893.60	11.85	48.73	1,856.72	612.37	75.71	15.81	672.27	1,184.45
Roads	39.53	-	-	39.53	19.75	5.40	-	25.15	14.37
Plant & Machineries	608.98	33.38	6.66	635.70	370.69	44.00	5.09	409.60	226.10
Windmills	9,571.27	907.54	-	10,478.81	4,088.57	716.93	-	4,805.50	5,673.31
Office Equipments	50.73	3.93	0.07	54.59	39.90	5.15	0.07	44.98	9.61
Furniture & Fixtures	78.74	2.13	-	80.87	53.67	7.17	-	60.84	20.02
Computers	54.53	5.35	0.91	58.97	45.23	6.37	0.77	50.83	8.14
Vehicles	211.27	42.32	32.74	220.85	141.84	26.99	13.01	155.82	65.04
Total (A)	12,746.91	1,083.80	89.11	13,741.60	5,373.13	888.36	34.75	6,226.74	7,514.86
(B) Intangible:									
Software	24.84	1.68	-	26.52	20.20	2.48	-	22.68	3.84
Others	5.25	3.75	-	9.00	-	0.08	-	0.08	8.92
Total (B)	30.09	5.43	-	35.52	20.20	2.56	-	22.76	12.76
Total (A+B)	12,777.00	1,089.23	89.11	13,777.12	5,393.33	890.92	34.75	6,249.50	7,527.62
(C) Investment Property:									
Residential Buildings	14.25	-	9.74	4.51	0.69	0.44	0.70	0.43	4.08
Total (C)	14.25	-	9.74	4.51	0.69	0.44	0.70	0.43	4.08
(D) Capital Work in Progress									76.18
Total Fixed Assets (A) +(B)+(C)+(D)	12,791.25	1,089.23	98.85	13,781.63	5,394.02	891.36	35.45	6,249.93	7,607.88

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		₹ in Million	
		As at	As at
		31.03.2018	31.03.2017
7. NON CURRENT INVESTMENTS			
1. Investments measured at Cost			
In Equity Shares of Associate Company, Unquoted			
1,25,000 (Pr. Yr. Nil) Equity Shares of ₹ 10/- each fully paid-up of Air Power Windfarms Pvt. Ltd.		1.23	-
2. Investments measured at Fair Value Through Profit or Loss (FVTPL)			
i. In Debentures, Unquoted			
		Face Value	Units
	9.50% Unlisted Non-Convertible Debentures of Business Broadcast News Holdings Ltd.	10,00,000	100 (100)
			102.76
			102.76
ii. In Bonds, Quoted			
	11.25% Unsecured Non-Convertible Perpetual Basel III Compliant Additional Tier 1 Bonds (Series III) of Syndicate Bank	10,00,000	- (100)
			-
			104.14
	10.40% Unsecured Redeemable Non-Convertible Tier 1 Perpetual Bonds Series II of Vijaya Bank	10,00,000	- (100)
			-
			100.98
iii. In Mutual Fund, Quoted			
		Face Value	Units No. in Million
	HDFC FMP 1184D January 2015 (1) Series 33 - Regular - Growth	10	- (5.00)
			-
			62.12
	UTI Fixed Term Income Fund Series XXII - VI (1098 Days) - Growth Plan	10	- (5.00)
			-
			59.81
	UTI Fixed Term Income Fund Series XXII - X (1098 Days) - Growth Plan	10	- (5.00)
			-
			58.18
	UTI Fixed Term Income Fund Series XXII - XII (1100 Days) - Growth Plan	10	- (5.00)
			-
			57.57
	Reliance Fixed Horizon Fund - XXIX- Series 1 - Growth Plan	10	- (5.00)
			-
			57.20
	Kotak FMP Series 183 - Growth (Regular Plan)	10	5.00 (5.00)
			61.20
			56.47
	Kotak FMP Series 189 - Growth	10	10.03 (10.03)
			123.16
			113.51
	HDFC Fixed Maturity Plan 1112D June 2016 (1) Regular Growth	10	5.00 (5.00)
			56.94
			53.30
	ICICI Fixed Maturity Plan Series 79 - 1120 D Plan J Cumulative	10	5.00 (5.00)
			56.20
			52.64
	Kotak FMP Series 196 - 1099 Days - Growth	10	5.00 (5.00)
			56.48
			52.98
	Reliance Fixed Horizon Fund - XXXI - Series 5 - Growth Plan	10	5.00 (5.00)
			56.32
			52.89
	Reliance Fixed Horizon Fund - XXXI - Series 6 - Growth Plan	10	5.14 (5.14)
			59.09
			54.63
	Reliance Fixed Horizon Fund - XXXI - Series 7 - Growth Plan	10	5.00 (5.00)
			55.89
			52.66
	SBI Debt Fund Series - B 42 days - Regular - Growth	10	5.00 (5.00)
			56.36
			52.98
	UTI Fixed Term Income Fund XXV - I (1099 Days) - Growth Plan	10	5.00 (5.00)
			56.68
			52.89
iv. In Mutual Fund, Unquoted			
Reliance Interval Fund - IV - Series 3 - Growth Plan		10	5.00 (5.00)
			61.04
			57.06
v. In Real Estate Investment Trust, Unquoted			
IDFC Score Fund			
			27.12
			10.75
			830.47
			1,265.52
a) Quoted Investments - Book Value			
- Market Value			
			638.31
			1,094.94
b) Unquoted Investments - Book Value			
			192.16
			170.58
* Figures in Brackets are of Previous Years			

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

			₹ in Million	
			As at	As at
			31.03.2018	31.03.2017
8. NON-CURRENT LOANS:				
(Unsecured, Considered Good)				
Loan to Employees			3.74	4.30
			3.74	4.30
9. NON-CURRENT FINANCIAL ASSETS:				
(Unsecured, Considered Good)				
Security Deposits			36.13	33.58
Deposits with original maturity more than 12 months				
- Under Lien			0.19	0.27
Interest Accrued on Fixed Deposits			0.01	0.01
			36.33	33.86
10. OTHER NON-CURRENT ASSETS:				
Capital Advances			423.86	187.23
Balances with Government Authorities			8.43	12.61
Prepaid Expenses			0.90	0.78
			433.19	200.62
11. INVENTORIES:				
Raw Materials & Components			880.53	890.33
Raw Materials & Components in Transit			1.59	0.13
Work-in-Progress			56.65	54.10
Work-in-Progress - Development Cost			22.25	-
Stock-in-Trade			184.62	162.42
Stock-in-Trade in Transit			0.13	-
			1,145.77	1,106.98
12. CURRENT FINANCIAL INVESTMENTS:				
1. Investments measured at Fair Value Through Profit or Loss (FVTPL)				
i. In Equity Shares, Quoted				
50,972 (Pr. Yr. 51,231) Equity Shares of ₹ 10/- each fully paid-up of Tata Teleservices (Maharashtra) Ltd.			0.28	0.37
iii. In Mutual Funds, Quoted				
	Face Value	Units No. in Million		
HDFC FMP 1184D January 2015 (1) Series 33 - Regular - Growth	10	5.00	66.52	
		(-)		
UTI Fixed Term Income Fund Series XXII - VI (1098 Days) - Growth Plan	10	5.00	64.97	
		(-)		
UTI Fixed Term Income Fund Series XXII - X (1098 Days) - Growth Plan	10	5.00	62.28	
		(-)		
UTI Fixed Term Income Fund Series XXII - XII (1100 Days) - Growth Plan	10	5.00	61.99	
		(-)		
Reliance Fixed Horizon Fund - XXIX - Series 1 - Growth Plan	10	5.00	61.43	
		(-)		
ICICI Prudential Fixed Maturity Plan Series 73-369 Days Plan T - Regular Plan - Cumulative	10	-	-	152.63
		(11.96)		
ICICI Prudential Fixed Maturity Plan Series 74-368 Days Plan R - Regular Plan - Cumulative	10	-	-	63.49
		(5.03)		
ICICI Prudential Fixed Maturity Plan Series 74-369 Days Plan K - Regular Plan - Cumulative	10	-	-	63.62
		(5.03)		
ICICI Prudential Fixed Maturity Plan Series 74-369 Days Plan T - Regular Plan - Cumulative	10	-	-	63.37
		(5.02)		
Reliance Fixed Horizon Fund - XXVI - Series 24 - Growth Plan	10	-	-	63.16
		(5.00)		
Reliance Fixed Horizon Fund - XXVI - Series 25 - Growth Plan	10	-	-	63.24
		(5.00)		
SBI Debt Fund Series - A 27 - 366 Days - Regular - Growth	10	-	-	62.94
		(5.00)		
Sundaram Fixed Term Plan GG 366 Days - Regular - Growth	10	-	-	62.72
		(5.01)		

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	Face Value	Units No. in Million	₹ in Million	
			As at	As at
			31.03.2018	31.03.2017
UTI Fixed Income Fund Series XVIII - XII (366 Days) - Growth Plan	10	-	-	63.32
		(5.00)		
UTI Fixed Term Income Fund Series XVIII - XIII 366 Days - Growth Option	10	-	-	45.78
		(3.62)		
UTI Fixed Term Interval Fund - Series XIX - III 368 Days - Growth Plan	10	-	-	104.94
		(8.34)		
iv. In Mutual Funds, Unquoted				
BOI AXA Corporate Credit Spectrum Fund - Regular Plan	10	9.25	123.45	113.37
		(9.25)		
ICICI Prudential Liquid Plan - Growth	100	0.16	40.08	-
		(-)		
Reliance Liquid Plan - Treasury Plan - Growth	1000	0.01	40.10	-
		(-)		
			521.10	922.95
a) Quoted Investments - Book Value			317.47	809.58
- Market Value			317.47	809.58
b) Unquoted Investments - Book Value			203.63	113.37
* Figures in Brackets are of Previous Years				
13. TRADE RECEIVABLES:				
Unsecured				
- Considered Good *			1,904.13	1,734.38
- Considered Doubtful			12.97	16.31
Allowance for Doubtful Debts			(12.97)	(16.31)
			1,904.13	1,734.38
* Includes due from private companies in which directors are interested (Refer Note 51)			107.95	-
14. CASH & CASH EQUIVALENTS (as per IND AS-7 - "Statement of Cash Flows"):				
Balance with Banks				
In Current Accounts			130.05	195.60
Deposit with original maturity upto 3 months.			147.00	192.50
Cash on Hand			2.93	3.62
Bank Overdraft used for Cash Management Purposes			(206.37)	(0.00)
			73.61	391.72
15. BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS:				
Deposit with original maturity for more than 3 months and upto 12 months.				
- Under Lien			0.41	0.55
- Others			-	14.00
Deposits with original maturity more than 12 months				
- Under Lien			11.66	1.05
- Others			-	1.00
			12.07	16.60
16. CURRENT LOANS:				
(Unsecured, Considered Good)				
Loan to Employees			6.07	11.18
Loan to Associate (Refer Note 51)			48.75	-
			54.82	11.18
17. CURRENT FINANCIAL ASSETS - OTHERS:				
(Unsecured, Considered Good)				
Security Deposits			32.31	35.18
Deposits to Related Parties (Refer Note 51)			0.45	0.45
Derivative Contracts			22.67	19.58
Interest Receivable			55.06	7.82
Others			6.81	1.23
			117.30	64.26
18. OTHER CURRENT ASSETS:				
Advances for Supply of Goods and Rendering of Services			176.97	88.68
Advances to Employees			6.53	10.85
Balance with Government Authorities			320.45	88.72
Prepaid Expenses			27.16	18.13
Unbilled Revenues for Services			35.58	44.36
			566.69	250.74

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

19. SHARE CAPITAL

	31.03.2018		31.03.2017	
	No. of Shares of FV ₹ 2	In Million	No. of Shares of FV ₹ 2	In Million
Authorised: Equity Shares	10,00,00,000	200.00	10,00,00,000	200.00
Issued, Subscribed & Paid up Equity Shares - Fully Paid Up	3,80,92,129	76.18	3,80,92,129	76.18

Of the above Equity Shares:

a) Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 2/- each. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Interim Dividend is recognised on approval of the Board of Directors.

In the event of liquidation of the Company, the holder of Equity Shares will be entitled to 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.

b) 87,11,291 (Pr. Yr. 46,80,342) Equity Shares of ₹ 2 each/- have been bought back during the period of five years immediately preceding balance sheet date.

c) Details of shareholders holding more than 5% Shares in the Company

Name of Shareholder	31.03.2018		31.03.2017	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Mr. Naresh Chander Oberoi	54,76,000	14.38	54,76,000	14.38
Mr. Kharati Ram Puri	52,94,808	13.90	52,94,808	13.90
Mr. Bharat Oberoi	1,79,02,302	47.00	1,79,02,302	47.00
Ms. Renu Oberoi	46,33,717	12.16	46,33,717	12.16
Marina West (Singapore) Pte. Ltd.	36,40,705	9.56	36,40,705	9.56

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

d) Reconciliation of shares outstanding at the beginning and at the end of the reporting year:

	31.03.2018		31.03.2017	
	No. of Shares held	In Million	No. of Shares held	In Million
Equity Shares outstanding at the beginning of the year	3,80,92,129	76.18	4,21,23,078	84.25
Less: Equity Shares extinguished pursuant to Buy Back	-	-	40,30,949	8.06
Equity Shares outstanding at the end of the year	3,80,92,129	76.18	3,80,92,129	76.18

e) The Company is not a subsidiary company

20. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS:

Secured

Term Loan From Banks

	31.03.2018	31.03.2017
	172.91	403.46
	172.91	403.46

a) Term Loan from Standard Chartered Bank was secured against hypothecation by way of first exclusive charge of 5 windmills of 1650 KW each in village Laklapur, Kutch and 6 windmills of 1650 KW each in village Vandhiya, Kutch and 11 windmills of 2000 KW each in village Vandhiya, Kutch procured out of the loan including its present and future book debts receivables, its moveable fittings and other moveable assets both present and future situated at Companies premises, warehouses, stockyards, godowns, various worksites or wherever else the same may be held by any party.

b) ₹ 172.91 million (Pr. Yr. ₹ 403.46 million) are secured against hypothecation by way of first exclusive charge of 9 windmills of 2000 KW each in village Goinj, Kutch and and moveable assets of the Company both present and future situated at Company's premises, warehouses, stockyards, godowns, various worksites or wherever else the same may be held by any party and lien on mutual fund schemes of the Company having market value of ₹ 311.61million (Pr. Yr. ₹ 350.69 million) as at year end.

c) Term loan from Standard Chartered Bank was repayable in 16 quarterly installments beginning from 22nd June, 2014.

d) Term loan of ₹ 172.91 million (Pr. Yr. ₹ 403.46 million) from Standard Chartered Bank is repayable in 16 quarterly installments beginning from 12th February, 2016.

e) Term loan from Banks include foreign currency loans of ₹ 172.91 million (Pr. Yr. ₹ 403.46 million).

f) Term loan from Banks in foreign currency carries interest rate in the range of LIBOR plus 2% to LIBOR plus 3%.

Installment following dues in respect of all the above loans upto 31.03.2019 have been grouped under "Current Maturities of long- term debt - Secured" (Refer Note 26).

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		₹ in Million	
		As at	As at
		31.03.2018	31.03.2017
21. NON-CURRENT OTHER FINANCIAL LIABILITIES:			
Security Deposits		3.06	2.79
		3.06	2.79
22. OTHER NON-CURRENT LIABILITIES:			
Income Received in Advance		224.10	235.58
		224.10	235.58
23. NON -CURRENT PROVISIONS			
Provision for Employee Benefits			
For Compensated Absences		30.31	26.92
For Gratuity		7.43	3.55
		37.74	30.47
24. CURRENT FINANCIAL LIABILITIES BORROWINGS:			
Secured			
Working Capital Rupee Loan		-	1,000.00
Export Pre-Shipment Loan		169.64	-
		169.64	1,000.00
a) Working Capital Rupee Loan was secured against lien on mutual fund schemes of the Company having market value of Nil (Pr. Yr. ₹ 1,190.66 million) as at year end and was repayable in 3 monthly installments beginning from 30th May, 2017. b) Export Pre-Shipment Loan is secured against hypothecation on all present and future book debts, outstanding monies receivable, claims and bills and all present and future stock of the Company and is repayable by 14th September, 2018.			
25. TRADE PAYABLES:			
Trade Payables (Refer Note 44)		1,446.27	1,257.72
		1,446.27	1,257.72
26. OTHER CURRENT FINANCIAL LIABILITIES:			
Current maturities of long-term debt - Secured (Refer Note 20)		230.55	564.19
Interest Accrued but not due on Borrowings		2.93	11.89
Security Deposits		1.49	1.25
Capital Creditors		88.75	680.59
Other Liabilities		124.09	146.86
		447.81	1,404.78
27. OTHER CURRENT LIABILITIES:			
Income Received in Advance		46.92	44.02
Advance Received from Customers		564.10	563.00
Statutory Dues Payable		40.94	58.47
		651.96	665.49
28. CURRENT PROVISIONS			
Provision for Employee Benefits			
For Gratuity		12.17	11.06
For Compensated Absences		4.66	4.17
		16.83	15.23

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	₹ in Million	
	Year Ended	Year Ended
	31.03.2018	31.03.2017
29. REVENUE FROM OPERATIONS:		
Sale of Products:		
- Manufactured Goods	9,241.41	10,491.03
- Stock-in-Trade	930.87	1,097.19
- Electricity	1,298.42	1,203.60
- Generation Based Incentive - Electricity	61.44	49.70
Income from Services:		
Erection, Installation & Other Services rendered	868.38	1,148.16
Project Development Consultancy	165.08	-
Other Operating Revenue:		
Income from Leasing	9.06	24.75
Others	56.69	48.49
	12,631.35	14,062.92
Note: Consequent to the introduction of Goods and Service Tax (GST) with effect from July 1, 2017, Central Excise, Value Added Tax (VAT) etc have been replaced by GST. In accordance with IND AS 18 on Revenue and Schedule III of the Companies Act, 2013, GST is not included in Revenue from Operations. In view of the aforesaid restructuring of Indirect Taxes, Revenue from Operations for the year ended 31.03.2018 is not comparable with previous year. Following additional information is given to facilitate such comparison:		
Revenue from Operations (Gross)	12,631.35	14,062.92
Excise Duty	-253.96	-991.58
Revenue from Operations (Net)	12,377.38	13,071.34
30. OTHER INCOME:		
Interest Income		
- On Bank Deposits	4.08	2.23
- Others	61.36	14.02
Income from Investments		
- Interest	21.26	24.88
- Dividend	0.01	0.09
Rent Income	12.11	18.13
Provision for Doubtful Debts Written Back	3.34	-
Net Gain on Sale of Property, Plant and Equipments	108.98	26.54
Net Gain on Financial Assets measured at FVTPL	99.85	214.96
Net Gains on Sale of Investment Properties	5.30	3.16
Exchange Differences (Net)	-	5.20
Gain on Disposal/De-recognition of Subsidiary	1.18	12.60
Net Gain on Derivative Contracts measured at FVTPL	3.09	13.08
Miscellaneous Income	6.53	13.13
	327.09	348.04
* Net Gain on Financial Assets measured at FVTPL include ₹ 193.22 million (Pr. Yr ₹ 183.11 million) as 'Net Gain on Sale of Investments'		
31. COST OF RAW MATERIAL CONSUMED:		
Raw Materials & Components Consumed	7,305.55	7,889.94
	7,305.55	7,889.94
32. PURCHASE OF STOCK-IN-TRADE:		
Purchase Of Stock-In-Trade	799.85	774.19
	799.85	774.19
33. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE:		
Inventories at the beginning of the year		
Work in Progress	54.10	87.27
Stock-in-Trade	162.42	189.98
	216.52	277.25
Inventories at the end of the year		
Work in Progress	56.65	54.10
Stock-in-Trade	184.76	162.42
	241.41	216.52
Changes In Inventories Of Finished Goods, Work-In-Progress & Stock-in-Trade	(24.89)	60.73

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	₹ in Million	
	Year Ended	Year Ended
	31.03.2018	31.03.2017
34. EMPLOYEE BENEFIT EXPENSES:		
Salaries, Wages, Bonus & Allowances	865.79	854.78
Contribution to Provident & Other Funds	54.24	51.88
Defined Benefit Plan Expense (Refer Note 42)	25.02	8.80
Staff Welfare Expenses	37.92	42.07
	982.97	957.53
35. FINANCE COST:		
Interest Expenses	86.61	187.11
Other Borrowing Costs	14.72	34.80
	101.33	221.91
36. DEPRECIATION & AMORTISATION:		
Depreciation of Property, Plant and Equipments (Refer Note 6)	877.44	888.36
Depreciation of Investment Property (Refer Note 6)	0.12	0.44
Amortisation of Intangible Assets (Refer Note 6)	11.64	2.56
	889.20	891.36
37. OTHER EXPENSES:		
Consumable Stores	147.13	207.63
Power & Fuel	37.21	39.78
Repairs & Maintenance		
- Plant & Machinery	1.61	2.39
- Buildings	28.72	7.25
- Others	26.46	40.59
Labour Charges	197.50	157.00
Conveyance & Petrol Expenses	43.50	44.52
Erection Expenses	265.12	226.44
Telephone & Communication	16.22	19.49
Vehicles Maintenance	14.76	13.90
Insurance Expenses	28.90	21.62
Legal & Professional Charges	67.92	52.80
Rent Expenses	27.31	25.16
Rates & Taxes	39.85	13.13
Freight Outward & Octroi	76.79	55.06
Sales Commission	17.87	17.00
Provision for Doubtful Debts	-	0.26
Travelling Expenses	75.26	58.27
Exchange Differences (Net)	0.84	-
Sundry Balance Written Off (Net)	12.03	2.05
Operation and Maintenance Charges	235.45	156.40
Miscellaneous Expenses	159.34	169.10
	1,519.79	1,329.84

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

38. The Consolidated Financial Statements present the consolidated accounts of Powerica Limited ("the Company") and its following subsidiaries and associate ("the Group"):

Name of the Company	Country of Incorporation	% voting power held	
		As at 31.03.2018	As at 31.03.2017
Nandurpathar Windfarm Ltd	India	100%	100%
Paramount Windfarms Pvt. Ltd	India	100%	100%
Vartaman Wind Energy Pvt. Ltd.	India	100%	100%
Vespower Windfarm Pvt. Ltd.	India	100%	-
Gooty Windfarms Pvt. Ltd.	India	100%	-
Soverign Windfarms Pvt. Ltd.	India	100%	-
Airpower Windfarm Pvt. Ltd.	India	50 % *	100%

* 100 % subsidiary upto 27.02.2018 and 50 % associate w.e.f. 28.02.2018.

39. **Contingent Liabilities and Commitments:**

Contingent Liabilities

	(₹ in Million)	
Claims against the Company not acknowledged as debts	31.03.2018	31.03.2017
a) Sales Tax demand disputed, contested in appeal	2.16	4.40
Amount paid there against and shown as Advances Recoverable	2.16	2.16
b) Service Tax demand disputed, contested in appeal	0.31	0.31
Amount paid there against and shown as Advances Recoverable	Nil	Nil
c) Excise Duty demand disputed, contested in appeal	3.20	1.97
Amount paid there against and shown as Advances Recoverable	Nil	0.59

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forms/authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on the Company's financial condition, results of operations or cash flows.

The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. In respect of Clause (a) to (c) above, Management has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

Commitments:

	(₹ in Million)	
	31.03.2018	31.03.2017
a) Bank Letter of Credit outstanding at the year end	Nil	562.50
b) Estimated amounts of contracts remaining to be executed on capital account and not provided for, net of advances	2,428.05	153.63
c) Estimated amounts of contracts remaining to be executed on revenue account and not provided for, net of advances	98.08	Nil
d) Dividends approved by Board of Directors at their meeting held on 25 th April, 2018 of ₹ 2/- per equity share before the financial statements were approved for issue, but not recognised as liability in the financial statements is ₹ 76.18 million.		
e) For Derivative contract related commitments, Refer Note 45		

40. **Earnings Per Share (EPS):**

	31.03.2018	31.03.2017
Profit Attributable to Equity Shareholders for Basic & Diluted EPS (₹ in Million)	996.96	1,202.39
Weighted Average Number of Equity Shares Outstanding for Basic & Diluted EPS	3,80,92,129	4,00,68,950
Nominal Value of Equity Share (₹)	2	2
Earnings Per Share Basic & Diluted (₹)	26.17	30.01

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

41. Disclosure for Operating Leases under Ind AS 17 - "Leases":

- (a) The Holding Company and Subsidiary Companies has procured various residential/commercial premises under operating lease. These are generally cancellable and ranges from 11 months to 5 years and are renewable by mutual consent on mutually agreeable terms. There are no restrictions imposed by lease arrangements and there are no sub leases. The lease expenses recognised in the Consolidated Statement of Profit & Loss for the year are ₹ 32.54 million (Pr. Yr. ₹ 31.65 million).
- (b) The Holding Company has given on lease, plant & machineries under cancellable operational lease. The rental income recognised in the Consolidated Statement of Profit & Loss for the year is ₹ 9.06 million (Pr. Yr. ₹ 24.75 million).
- (c) The Holding Company has given on lease, commercial premises under operational lease. These are generally cancellable and ranges from 11 months to 5 years and are renewable by mutual consent on mutually agreeable terms. The rental income recognised in the Consolidated Statement of Profit & Loss for the year is ₹ 12.10 million (Pr. Yr. ₹ 18.13 million).

42. Employee Benefits in respect of Holding Company

(a) Defined Contribution Plans:

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the government, and certain state plans such as Employees' State Insurance (ESI). PF and EPS cover substantially all regular employees and the ESI covers eligible workers. Contributions are made to the Government's funds. While both the employees and the Company pay predetermined contributions into the Provident Fund and the ESI Scheme, contributions into the pension fund is made only by the Company. The contributions are normally based on a certain portion of the employee's salary.

During the year, the Company has recognised the following amounts:

	(₹ in Million)	
	31.03.2018	31.03.2017
Provident Fund and Employee's Pension Scheme	48.96	46.00
Employees State Insurance	5.53	5.39
	54.49	51.39

(b) Defined Benefit Plans

Gratuity: Company makes annual contributions to the Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of the LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

- i) **On normal retirement / early retirement / withdrawal / resignation:**
As per the provisions of Payments of Gratuity Act, 1972 with vesting period of 5 years of service
- ii) **On the death in service:**
As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest Risk A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Longevity Risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk

The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

- (c) The following tables summarise the components of defined benefit expense recognised in the statement of profit or loss/OCI and the funded status and amounts recognised in the Balance Sheet for the respective plans:

(₹ in Million)

	Gratuity (Funded Plan)	
	31.03.2018	31.03.2017
i) Changes in Defined Benefit Obligation		
Opening defined benefit obligation	98.35	79.96
Current service cost	11.05	8.80
Interest cost	6.94	5.99
Actuarial loss / (gain)		
- changes in financial assumptions	(2.99)	4.97
- experience adjustments	(1.22)	3.47
Past Service Cost	13.96	-
Benefit (paid)	(8.88)	(4.84)
Closing defined benefit obligation	117.21	98.35
ii) Changes in Fair Value of Assets		
Opening value of plan assets	83.74	69.71
Expenses deducted from the fund		
Interest Income	6.27	5.52
Return on plan assets excluding amounts included in Interest Income	(0.06)	(0.22)
Contributions of employer	16.53	13.57
Benefits (paid)	(8.88)	(4.84)
Closing value of plan assets	97.60	83.74
iii) Amount recognised in the Balance Sheet		
Present value of the funded obligations as at year end	117.21	98.35
Fair value of the plan assets as at year end	97.60	83.74
Net (asset) / liability recognised as at year end	19.61	14.60
iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	11.06	8.80
Past service cost and loss/(gain) on curtailments and settlement	13.96	-
Net Interest cost	0.67	0.46
Total	25.69	9.26
Expenses recognised in the Statement of Other Comprehensive Income		
Net actuarial loss / (gain) recognised in the current year		
- changes in financial assumptions	(2.99)	4.97
- experience adjustments	(1.23)	3.47
Return on plan assets excluding amounts included in Interest Income	0.06	0.22
Total	(4.16)	8.66
v) Asset information		
Others - Policy of Insurance	100.00%	100.00%
vi) Principal actuarial assumptions used		
Discount rate (p.a.)	7.65%	7.40%
Salary growth rate (p.a.)	5.50%	5.50%

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(d) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. Reasonable, possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

(₹ in Million)				
	31.03.2018		31.03.2017	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5%) movement	(5.63)	6.11	(4.53)	4.91
Salary growth rate (0.5%) movement	5.22	(5.03)	4.54	(4.09)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with financial year 2017-2018.

(d) Leave Encashment:

Company's employees are entitled for compensated absences which are allowed to be accumulated and encashed as per Company's rule. The liability of compensated absences, which is non-funded, has been provided based on report of independent actuary using "Projected Unit Credit Method".

Accordingly ₹ 34.98 million (Pr. Yr. ₹ 31.09 million) being liability as at the year-end for compensated absences as per actuarial valuation has been provided in the accounts.

Annual Leave Assumptions

a) Financial Assumptions

Particulars	31.03.2018	31.03.2017
Discount rate (p.a.)	7.65%	7.40%
Salary growth rate (p.a.)	5.50%	5.50%

b) Demographic Assumptions

Particulars	31.03.2018	31.03.2017
Mortality	IALM (2006-08)	IALM (2006-08)
Leave Availment Rate	3.0 %	2.0 %

43. Remuneration to Auditors (Excluding Service Tax) :

	31.03.2018	31.03.2017
Audit Fees	2.80	2.81
Tax Audit Fees	Nil	0.90
Other Attest Services	0.03	0.41
Out of Pocket Expenses	0.05	0.03

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

44. Details of Micro and Small Enterprises As defined Under the Micro, Small and Medium Enterprise Development Act, 2006:

The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

(₹ in million)

Sr.No.	Particulars	31.03.2018	31.03.2017
i	Principal amount remaining unpaid to any supplier as at the end of the accounting year	41.30	26.48
ii	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
iii	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
iv	The amount of interest due and payable for the year	Nil	Nil
v	The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
vi	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

45. Details of Hedged and Unhedged Exposure in Foreign Currency Denominated Monetary Items

a) Exposure in Foreign Currency – Hedged

The Group had entered into forward and option contracts for hedge purpose and not intended for trading or speculation purposes, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain payables. It has also entered into Interest Rate Swap agreements as a means of hedging interest rates related risks in respect of variable rate debts. The following are the outstanding contracts entered into by the Group.

Type of Instrument	Type of Exposure	Currency	Amount in million		Cross Currency
			31.03.2018	31.03.2017	
Option Contracts	ECB	USD	6.56	7.50	INR

b) The year-end foreign currency exposures that have not been hedged by derivative instrument or otherwise are as below:

Particulars	Foreign Currency Denomination	Foreign Currency Amount		Indian Rupees equivalent in million	
Assets :		31.03.2018	31.03.2017	31.03.2018	31.03.2017
Advances Given	USD	3,14,480	29,758	20.46	1.93
	EURO	16,800	Nil	1.35	Nil
	SGD	Nil	46,678	Nil	2.23
Trade Receivables	USD	10,22,637	15,43,624	66.52	100.09
Other Receivables	USD	5,000	Nil	0.33	Nil
	EURO	1,06,500	1,06,500	8.59	7.37
Liabilities :					
Trade Payables	DKK	3,83,776	3,83,776	4.03	3.47
	USD	263	9,799	0.02	0.64
Advances Received	USD	11,71,252	1,55,590	76.18	10.09
Secured Loans	USD	26,08,000	78,12,500	169.64	506.55
Interest Accrued but not due on Secured Loans	USD	45,058	74,131	2.93	4.81

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

46. Pre-operative expenses, pending capitalisation included in Capital Work-in-Progress (Note No. 6) represent the expenses incurred for projects, which are yet to be commissioned. The same will be capitalized on completion of projects and commencement of commercial operations. The details of the pre-operative expenses are as under:

(₹ in million)		
Particulars	31.03.2018	31.03.2017
Opening Balance	12.57	7.70
Incurring during the current year		
Salaries, Bonus & Allowances	19.94	Nil
Professional Fees	1.12	9.21
Others	<u>3.37</u>	<u>0.56</u>
Total	37.00	17.17
Less: Capitalised during the year	<u>Nil</u>	<u>4.60</u>
Closing Balance	37.00	12.57

47. Segment Reporting

A. Basis for Segmentation

The Group has following business segments which are its reportable segments. These units offer different products and services, and are managed separately because they require different technology and production processes. Operating segment disclosures are consistent with the information provided to and reviewed by the Chief Operating Decision Maker.

Reportable Segments	Operation
Diesel Generating Sets -	Manufacturing and trading in diesel generating sets, components and erection, installation, commissioning, operation, maintenance & other services relating to diesel generating sets.
Wind Turbine Generators -	Generation of electricity from Wind Turbine Generators and erection, installation, commissioning, operation, maintenance, project management & other services relating to Wind Turbine Generators

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

B. Information about the Group's business segments is given below:

		(₹ in million)					
Sr. No		Diesel Generating Sets		Wind Turbine Generators		Total	
A	Revenue	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	External Sales	11,197.52	12,468.66	1,634.50	1,686.60	12,832.02	14,155.26
	Inter Segment Sales	0.38	1.36	Nil	Nil	0.38	1.36
	Segment Revenue	11,197.90	12,470.02	1,634.50	1,686.60	12,832.40	14,156.62
	Less: Inter Segment Eliminations					0.38	1.36
	Total Revenue					12,832.02	14,155.26
B	Segment Results (PBT)	660.09	749.67	455.05	396.02	1,115.14	1,145.69
C	<u>Specified Amounts included in Segment Results</u>						
	Depreciation & Amortisation	170.39	168.48	718.69	722.44	889.08	890.92
	Interest Income	8.95	9.87	56.49	6.39	65.44	16.26
	Interest Expense	28.00	122.56	73.33	99.35	101.33	221.91
D	<u>Reconciliation of Segment Result with Profit After Tax</u>						
	Segment Results	660.09	749.67	455.05	396.02	1,115.14	1,145.69
	Interest Income					21.26	24.88
	Net gain arising on financial assets measured at FVTPL					-93.37	31.86
	Gain on sale of financial assets measured at FVTPL					193.22	183.11
	Dividend received					0.01	0.09
	Unallocated Corporate Income/ (Expenses)- Net					-105.58	-91.75
	Income Taxes					136.42	85.83
	Share of Profit (Loss) of Associate					-0.02	Nil
	Profit After Tax as per Statement of Profit and Loss					994.24	1,208.05
E	<u>Other Information</u>						
	Segment Assets	5,171.56	5,180.08	6,070.97	6,238.59	11,242.53	11,418.67
	Unallocated Corporate Assets					1,443.73	2,233.06
	Total Assets					12,686.26	13,651.73
	Segment Liabilities	2,331.02	3,026.84	817.87	1,931.18	3,148.89	4,958.02
	Unallocated Corporate Liabilities					207.87	361.17
	Total Liabilities					3,356.76	5,319.19
	Total Capital Expenditure	114.48	241.84	933.61	51.46	1,048.19	293.30

C. Reconciliation of other material items:

	Reportable segments total		Adjustments		Total	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Interest Revenue	65.44	16.26	21.26	24.89	86.70	41.15
Interest Expense	101.33	221.91	Nil	Nil	101.33	221.91
Depreciation	889.08	890.92	0.12	0.44	889.20	891.36

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

D. Geographical information:

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been on the geographical location of the assets.

(i) Revenue (Net)

	(₹ in million)	
	31.03.2018	31.03.2017
Within India	12,171.05	12,916.29
Outside India	206.33	155.05
Total	12,377.38	13,071.34

(ii) All Non-Current Assets (Non-Current Assets exclude financial instruments, deferred tax assets and post-employment benefit assets) of the Company are located in India.

E. Major Customer:

None of the individual customer accounted for more than 10% of the revenue for the years ended 31st March, 2018 and 31st March, 2017.

48. Capital Management

The primary objective of the Group's capital management is to maximize the shareholder value. Management monitors the return of capital, as well as the level of dividends paid to equity shareholders. The Group's board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and advantages and security afforded by a sound capital position.

Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings less cash and cash equivalents and current investments. Equity comprises all components of equity.

Group's policy is to keep the ratio below 1 and its adjusted net debt to equity ratio was as follows:

	31.03.2018	31.03.2017
Debt (Debt + Current Liabilities)	573.10	1,967.65
Less: Cash and Cash Equivalents	594.71	1,314.67
Adjusted Net Debt	-	652.98
Equity	9,329.50	8,332.54
Adjusted Net Debt to Equity Ratio	-	0.08

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2018 and 31st March, 2017.

49. Financial Instrument- Fair values and risk management

A) Fair Value Measurements

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Financial Instruments by Category	31.03.2018		31.03.2017	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets:				
Non-Current Investments – Others	830.47	Nil	1,265.52	Nil
Non-Current Loans	Nil	3.74	Nil	4.30
Other Non-Current Financial Assets	Nil	36.33	Nil	33.86
Current Investments	Nil	521.10	Nil	922.95
Trade Receivables	Nil	1,904.13	Nil	1,734.38
Cash & Cash Equivalents	Nil	73.61	Nil	391.72
Other Bank Balance	Nil	12.07	Nil	16.60
Current Loans	Nil	54.82	Nil	11.18
Other Current Financial Assets				
- Derivative Instruments	22.67	Nil	19.58	Nil
- Others	Nil	94.63	Nil	44.68
Financial Liabilities:				
Non-Current Borrowings	Nil	172.91	Nil	403.46
Other Non-Current Financial Liabilities	Nil	3.06	Nil	2.79
Current Borrowings	Nil	169.64	Nil	1,000.00
Trade Payables	Nil	1,446.27	Nil	1,257.72
Other Current Financial Liabilities	Nil	447.81	Nil	1,404.78

Fair value hierarchy

Financial Instruments by Category	31.03.2018			31.03.2017		
	Level I	Level II	Level III	Level I	Level II	Level III
Financial Assets:						
Non-Current Investments – Others	Nil	830.47	Nil	Nil	1,265.52	Nil
Non-Current Loans	Nil	Nil	3.74	Nil	Nil	4.30
Other Non-Current Financial Assets	Nil	Nil	36.33	Nil	Nil	33.86
Current Investments	0.28	520.82	Nil	0.37	922.58	Nil
Trade Receivables	Nil	Nil	1,904.13	Nil	Nil	1,734.38
Cash & Cash Equivalents	Nil	Nil	73.61	Nil	Nil	391.72
Other Bank Balance	Nil	Nil	12.07	Nil	Nil	16.60
Current Loans	Nil	Nil	54.82	Nil	Nil	11.18
Other Current Financial Assets						
- Derivative Instruments	Nil	22.67	Nil	Nil	19.58	Nil
- Others	Nil	Nil	94.63	Nil	Nil	44.68
Financial Liabilities:						
Non-Current Borrowings	Nil	Nil	172.91	Nil	Nil	403.46
Other Non-Current Financial Liabilities	Nil	Nil	3.06	Nil	Nil	2.79
Current Borrowings	Nil	Nil	169.64	Nil	Nil	1,000.00
Trade Payables	Nil	Nil	1,446.27	Nil	Nil	1,257.72
Other Current Financial Liabilities	Nil	Nil	447.81	Nil	Nil	1,404.78

POWERICA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

B) Financial risk management

The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Group's risk management framework. Management is responsible for developing and monitoring Group's risk management policies, under the guidance of Operations & Management Committee. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Group's financial performance. Audit Committee reviews investments at periodical intervals

i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds and financial institutions, foreign exchange transactions and other financial instruments.

a) Trade receivables

Customer credit risk is managed by each business unit subject to Group's established policy, procedures and control relating to customer credit risk management. Group extends credit only to customers based on its past dealings and outstanding customer receivables are being monitored by individual business managers located in those places. In most cases an appropriate letter of credit / bank guarantee is taken from the customers to cover the risk. The concentration of credit risk is limited due to the fact that the customer base is large. There is no customer representing more than 5% of the total balance of trade receivables.

On account of adoption of IND AS 109, the Group uses ECL model to assess the impairment loss or gain. The Group uses a provision matrix to compute the ECL allowance for trade receivables.

Expected Credit Loss for Trade receivables under simplified approach

(₹ in Million)

	31.03.2018	31.03.2017
Gross Carrying Amount	1,917.10	1,750.69
Average Expected loss on Trade Receivables	12.97	16.31
Carrying amount of trade receivables (net of impairment)	1,904.13	1,734.38

b) Financial instruments

Credit risk arising from investment in mutual funds, bonds, debentures, preference shares, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the national and international credit rating agencies.

ii) Liquidity risk

Liquidity risk is the risk that Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft from banks at an optimised cost.

Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount required to meet expected cash outflows on financial liabilities over foreseeable future.

POWERICA LIMITED
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The table below analysis derivative and non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Carrying amount	Payable within 1 year	More than 1 years	Total
As at 31.03.2018				
Non-derivative liabilities				
Borrowings	573.10	400.19	172.91	573.10
Trade Payables	1,446.27	1,446.27	Nil	1,446.27
Other Payables	220.32	217.26	3.06	220.32
As at 31.03.2017				
Non-derivative liabilities				
Borrowings	1,967.65	1,564.19	403.46	1,967.65
Trade Payables	1,257.72	1,257.72	Nil	1,257.72
Other Payables	843.38	840.59	2.79	843.38

iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. Group uses derivative financial instruments such as foreign exchange contracts & options to manage its exposures to foreign exchange fluctuations, as per foreign exchange exposure policy adopted by the Group.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

The analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities.

The sensitivity of the relevant income statement item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31st March 2018 and 31st March 2017.

a) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The currencies in which these transactions are primarily denominated are US dollars.

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

At any point in time, Group covers foreign currency risk by taking appropriate hedges as a percentage of its foreign currency exposure, in accordance with the policy as approved by the Board. Group uses forward exchange contracts to mitigate its currency risk, most with a maturity of less than one year from the reporting date. In respect of other monetary assets and liabilities denominated in foreign currencies, Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies through Swaps and Forwards.

The following table analyses unhedged foreign currency risk – US Dollars from financial instruments as of 31st March 2018:

Particulars	(₹ in Million)	
	31.03.2018	31.03.2017
Trade Receivables	66.52	100.09
Other Financial Assets	0.33	1.93
Trade Payables	0.02	0.64
Borrowings	169.64	506.55
Other Financial Liabilities	2.93	4.81
Net Assets (liabilities)	239.44	408.70

For the year ended 31st March 2018 every percentage point depreciation / appreciation in the exchange rate between the Indian Rupee and respective currencies has affected the Group's incremental profit before tax as below:

Particulars	(₹ in Million)			
	31.03.2018		31.03.2017	
	Change in currency exchange rate	Change in currency exchange rate	Change in currency exchange rate	Effect on profit before tax
US Dollars (USD)	+ 5%	(11.97)	+ 5%	(20.43)
	- 5%	11.97	- 5%	20.43

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligation with floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The use of interest rate swaps are also entered into, especially to hedge the floating rate borrowings or to convert the foreign currency floating interest rates to the domestic currency floating interest rates. The interest rate profile of Group's interest bearing financial instruments as reported by management is as follows:

Particulars	(₹ in Million)	
	31.03.2018	31.03.2017
Foreign Currency Term Loan	573.10	967.65
	573.10	967.65

A reasonably possible change of 0.25 basis points in interest rates at the reporting date would have impacted profit before tax as below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	(₹ in Million)	
	31.03.2018	31.03.2017
Increase in interest rate by 0.25 %	1.43	2.42
Decrease in interest rate by 0.25 %	(1.43)	(2.42)

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

c) Other Price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk for the Group arises from financial assets such as investments in equity instruments, liquid mutual funds, debt mutual funds and bonds.

The Group is exposed to price risk arising mainly from investments in debt mutual funds, equity instruments, debentures and bonds recognised at FVTPL. As at 31st March, 2018, the carrying value of such debt mutual funds, equity instruments, debentures and bonds recognised at FVTPL amounts to ₹ million ₹ 1,350.34 million (₹ 2,188.47 million). The details of such investments in equity instruments and bonds are given in Notes 7 and 12.

Investments in Debentures, Bonds and Debt Mutual Funds, being debt instruments, the exposure to risk of changes in market rates is minimal.

50. Fair Value of Investment Property:

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex and age of building. This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy. Fair value of Investment Property as on 31.03.2018 amounts to Nil (Pr. Yr. ₹ 7.35 million).

51. Related Party Disclosures as required by Ind AS 24 are given below

i) List of Related Parties with whom transactions have taken place and relationships:

a) Category I: Associate

Air Power Windfarms Pvt. Ltd. (w.e.f 28.02.2018)

b) Category II : Directors, Key Management Personnel and their Relatives:

Mr. Naresh Oberoi	Chairman & Managing Director
Mr. Bharat Oberoi	Joint Managing Director
Ms. Vania Oberoi	Relative of the Key Management Personnel
Ms. Vara Oberoi	Relative of the Key Management Personnel
Dr. Geeta Oberoi	Relative of the Key Management Personnel
Ms. Renu Oberoi (w.e.f 20.03.2017)	Whole Time Director
Mr. Pradeep Gupta (w.e.f 02.09.2016)	Whole Time Director
Mrs Komal Nagdev	Company Secretary
Mr. Vijay Kumar	Chief Financial Officer
Mr. Shreekanth Bhasin	Chief Executive Officer
Mr. Kharati Ram Puri	Non-Executive Director
Mr. Udai Dhawan	Non-Executive Director
Mr. Dinesh Kumar	Non-Executive Director
Mr. Ghanshyam Das	Non-Executive Director
Mr. Krishen Dev	Non-Executive Director
Mr. Vibhav Parikh	Alternate Director
Mr. Prakash Gurav	Non-Executive Director
Mrs. Veena Thadhani (w.e.f 02.09.2016 and upto 20.03.2018)	Non-Executive Director

c) Category III : Enterprise over which persons covered under Category II above are able to exercise significant control:

Powerica Sales and Services Pvt. Ltd.
 Art Yarn Exports (India) Pvt. Ltd. (w.e.f. 02.09.2016)
 AWT Energy Pvt. Ltd. (w.e.f. 02.09.2016)
 Oberoi Family Trust.
 Nishkama Jagruti Developers Pvt. Ltd.

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d) Category IV: Post Employment Benefits planned entity

Powerica Ltd employees group gratuity assurance trust

ii) Transactions during the year with related parties:

(₹ in million)

Transactions	Category	31.03.2018	31.03.2017
Investments made during the Year:			
Air Power Windfarms Pvt. Ltd.	I	1.25	Nil
Buyback of Equity Shares:			
Ms. Vania Oberoi	II	Nil	161.84
Ms. Vara Oberoi	II	Nil	161.84
Dr. Geeta Oberoi	II	Nil	323.68
Erection, Installation & Other Services rendered:			
Air Power Windfarms Pvt. Ltd.	I	170.82	Nil
Purchases:			
AWT Energy Pvt. Ltd.	III	3.26	4.09
Services Received:			
AWT Energy Pvt. Ltd.	III	13.28	13.21
Rent Income:			
Airpower Windfarm Pvt. Ltd.	I	0.01	Nil
Powerica Sales & Services Pvt. Ltd.	III	Nil	0.04
AWT Energy Pvt. Ltd.	III	0.96	0.74
Art Yarn Exports (India) Pvt. Ltd.	III	1.80	1.05
Expenses Incurred on Behalf of us:			
AWT Energy Pvt. Ltd.	III	0.02	0.06
Expenses Incurred, Re-imbursed to us:			
Airpower Windfarm Pvt. Ltd.	I	1.48	Nil
AWT Energy Pvt. Ltd.	III	₹ 1,745	Nil
Powerica Sales and Services Pvt. Ltd.	III	0.08	Nil
Rent Expenses:			
Oberoi Family Trust	III	1.80	1.80
Loan Given:			
Air Power WindFarms Pvt. Ltd.	I	37.75	Nil
Director Sitting Fees:			
Mr. Udai Dhawan	II	0.10	0.12
Mr. Dinesh Kumar	II	0.72	1.68
Mr. Ghanshyam Dass	II	0.70	1.60
Mr. Krishen Dev	II	0.70	1.68
Mr. Prakash Gurav	II	0.76	1.70
Mr. Kharati Ram Puri	II	0.10	0.08
Mr. Vibhav Parikh	II	0.10	Nil
Mrs. Veena Thadhani	II	0.06	Nil

POWERICA LIMITED
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Key Management Compensation:			
Short Term Employment Benefits			
Mr. Naresh Oberoi	II	45.87	54.54
Mr. Bharat Oberoi	II	36.47	45.73
Mr. Renu Oberoi	II	12.27	0.39
Mr. Pradeep Gupta	II	13.04	3.80
Mrs. Komal Motwani	II	1.62	1.25
Mr. Shreekant Bhasin	II	6.74	16.12
Mr. Vijay Kumar	II	8.39	8.07
Post Employment Benefits	II	0.77	1.18
Advance/Loan Repaid:			
Mr. Bharat Oberoi	II	Nil	11.15
Sale of Fixed Assets:			
Mr. Shreekant Bhasin	II	Nil	0.20
Contributions made to Group Gratuity Trust through premium paid to LIC:			
Premium Paid	IV	16.53	13.57
Share of Profit (Loss) of Associate:			
Airpower Windfarm Pvt. Ltd.	I	(0.02)	Nil
Interest Income:			
Air Power Windfarms Pvt. Ltd.	I	0.23	Nil

iii) Outstanding as at Balance Sheet Date:

(₹ in million)

	Category	31.03.2018	31.03.2017
Receivables:			
Powerica Ltd employees group gratuity assurance trust	IV	6.46	0.86
Air Power WindFarms Pvt. Ltd.	I	112.16	Nil
AWT Energy Pvt. Ltd.	III	₹ 1,745	Nil
Payables:			
AWT Energy Pvt. Ltd.	III	Nil	0.98
Mr. Kharati Ram Puri	II	Nil	0.02
Mr. Udai Dhawan	II	Nil	0.02
Rent Deposits:			
Oberoi Family Trust	III	0.45	0.45
Investments:			
Airpower Windfarm Private Ltd.	I	1.23	Nil
Loan Given:			
Air Power WindFarms Pvt. Ltd.	I	48.75	Nil

Group has completed an independent evaluation for all transactions, for the year ended 31.03.2018 and for the year ended 31.03.2017 to determine whether the transactions with associate enterprises are undertaken at arm's length price based on the internal pricing review and validation, Group believes that all transaction with associated enterprises are on arm's length basis.

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Outstanding balances at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivable or payable.

52.

- a) During the year, the Company has made additional Capital Contribution in following subsidiaries:
- ₹ 0.24 million in Airpower Windfarm Pvt. Ltd.,
 - ₹ 0.24 million in Vartaman Wind Energy Pvt. Ltd.
- b) During the year, the Company acquired/subscribe to the equity stake of the following subsidiaries:
- 100% equity stake in Sovereign Windfarms Pvt. Ltd., at a total cost of ₹ 0.10 million.
 - 100% equity stake in Gooty Windfarms Pvt. Ltd., at a total cost of ₹ 0.10 million.
 - 100% equity stake in Vespower Windfarm Pvt. Ltd., at a total cost of ₹ 0.10 million.
- c) During the year, the Company has transferred its 50% shareholding in Airpower Windfarm Pvt. Ltd. for ₹ 1.25 million to Vestas Wind Technology India Private Limited. Consequently, Airpower Windfarm Pvt. Ltd. has become an Associate of the Company.

53. Income Taxes:

a) Tax Expense Recognised in Profit and Loss:

	(₹ in million)	
	31.03.2018	31.03.2017
Current Tax Expense for the year	254.33	283.74
Adjustment for current tax of prior periods	0.78	(20.85)
MAT Credit Entitlement	(0.93)	(31.57)
MAT Credit Entitlement of prior periods written back (off)	(4.88)	-
Net Current tax expenses	249.30	231.32
Deferred tax expense/(benefit), net		
Origination and reversal of timing difference	(112.88)	(145.49)
Tax Expense for the year	136.42	85.83

b) Tax Expense Recognised in Other Comprehensive Income:

	(₹ in million)	
	31.03.2018	31.03.2017
Items that will be reclassified to profit or loss in subsequent years:	Nil	Nil
Items that will not be reclassified to profit or loss in subsequent years:		
Re-measurement gains (losses) on defined benefits plans	(1.44)	3.00
Total	(1.44)	3.00

c) Reconciliation of effective tax rate:

	(₹ in million)	
	31.03.2018	31.03.2017
Profit Before Tax	1,130.66	1,293.88
Tax using the Company's domestic tax rate @ 34.608 %	391.30	447.79
Tax Effect Of:		
Expenses not deductible	2.62	1.38
Current year losses for which no deferred tax assets were recognised	0.48	0.92
Tax Effect which is chargeable at different rates	(31.81)	(86.45)
Exemption of profit linked incentives	(175.18)	(191.36)
Investment Allowance	-	(48.85)
Income not taxable	(37.71)	(9.19)
Others	(9.18)	(7.56)
Current and Deferred Tax Expense (excluding prior year taxes) as per note 53(a)	140.52	106.68

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

d) Movement in Deferred Tax Balances:

(₹ in million)

Particulars	31.03.2018	31.03.2017
Deferred Tax Liabilities		
Property, Plant and equipment	856.63	976.77
Gain on Financial Instruments at fair value through profit & loss	35.97	15.55
Total Deferred Tax Liabilities	892.60	992.33
Deferred Tax Asset		
Leave Encashment	12.22	10.76
Bonus	22.13	19.93
Re- measurement gains(losses) on defined benefit plans	1.16	3.20
MAT Credit Entitlement	657.37	651.56
Others	13.28	3.21
Total Deferred Tax Asset	706.16	688.66
Deferred tax liabilities after set off	186.44	303.67

54. Additional information as required by Part III of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Particulars	Net assets, i.e. total assets minus total liabilities		Share of Profit		Share of Other Comprehensive Income		Share of Total Comprehensive Income	
	As % of consolidated net assets	₹ in million	As % of consolidated net profit	₹ in million	As % of consolidated other comprehensive income	₹ in million	As % of total comprehensive income	₹ in million
Parent								
Powerica Limited	100.10	9,339.21	100.14	995.62	100.00	2.72	100.14	998.34
Indian Subsidiaries								
Nandurpathar Windfarm Ltd	0.17	15.62	-0.09	-0.93	-	-	-0.09	-0.93
Paramount Windfarms Pvt. Ltd	0.08	7.88	-0.02	-0.23	-	-	-0.02	-0.23
Vartaman Wind Energy Pvt. Ltd.	0.02	2.02	-0.03	-0.28	-	-	-0.03	-0.28
Gooty Windfarms Pvt. Ltd.	-	0.01	-0.01	-0.09	-	-	-0.01	-0.09
Sovereign Windfarms Pvt. Ltd.	-0.01	-0.54	-0.06	-0.64	-	-	-0.06	-0.64
Vespower Windfarm Pvt. Ltd.	-	-0.01	-0.01	-0.11	-	-	-0.01	-0.11
Associate								
Airpower Windfarm Pvt. Ltd.	0.01	1.23	-	-0.02	-	-	-	-0.02
Total Eliminations/ Consolidation Adjustments	-0.37	-35.92	0.08	0.92	-	-	0.08	0.92
Total	100.00	9,329.50	100.00	994.24	100.00	2.72	100.00	996.96

Refer Annexure "3" of Directors Report for salient features of the financial statements of subsidiaries.

POWERICA LIMITED
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

55. The Group has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable loss. At the year end, the Group has reviewed and ensured that adequate provision as required under any law/accounting standard for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the consolidated financial statements.
56. The Consolidated Financial Statements included results of operations of three new subsidiaries incorporated during the year, dilution of stake in one subsidiary and investment in associate during the year. Accordingly, the current year figures are not strictly comparable with those of previous year.

For Jayantilal Thakkar & Co.
Chartered Accountants

For and on behalf of the Board

V. A. Merchant

Viral A. Merchant
Partner



N. C. Oberoi
Naresh C. Oberoi
Chairman & Managing Director
DIN: 00009000

Vijay Kumar
Vijay Kumar
Chief Financial Officer

Bharat Oberoi
Bharat Oberoi
Jt. Managing Director
DIN: 00083664

Komal Nagdev
Ms. Komal Nagdev
Company Secretary

Mumbai, 24th May, 2018