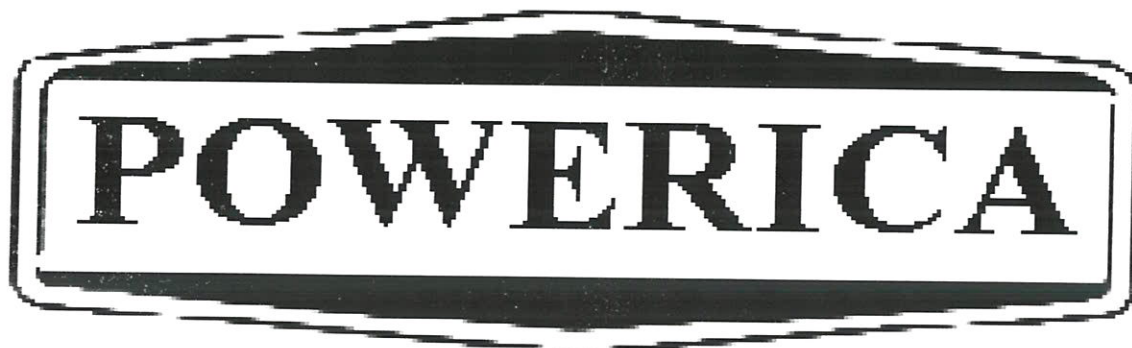




STANDALONE FINANCIALS

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	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)	11.84	(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						Total Equity
	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)	
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%

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

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

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

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

POWERICA LIMITED
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

POWERICA LIMITED
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.

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

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

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

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.

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

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)

POWERICA LIMITED
NOTES ON 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 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.
Soverign 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

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

- 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

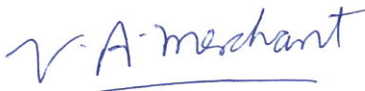
d) Movement in Deferred Tax Balances:

	(₹ 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