

DIRECTORS' REPORT

To,
The Members,
WELSPUN CAPTIVE POWER GENERATION LIMITED

Your Directors have pleasure in presenting their 7th Annual Report and audited statement of accounts for the financial year ended March 31, 2017.

1. Financial Results:

Particulars	Rs. Million	
	31.03.2017	31.03.2016
Revenue from Operations	2,088.17	2,863.09
Other Income	67.81	18.47
Total Revenue	2,155.98	2,881.56
Expenditure	2,221.74	2,393.37
Profit/(Loss) before exceptional items and Tax	(65.76)	488.18
Exceptional items (Net)	357.33	-
Profit/(Loss) before Tax	291.57	488.19
Income Tax Expenses	100.65	164.54
Profit/(Loss) after Tax	190.92	323.65
Earnings per share (Basic & Diluted)	6.48	10.93

2. Performance:

During the year under review, your Company's total revenue is Rs. 2,088.17 million i.e. 27.07% lower than the previous year. Profit before exceptional item and tax is Rs. (65.76) million i.e. 113.47% lower than the previous year. Exceptional Items of Rs. 357.33 million is towards a fire incident which occurred during the year at the Turbine-Generator building of the Company's power plant at Anjar which resulted into forced shut down of the power plant. The plant was insured under an Industrial All Risk (IAR) insurance policy. The exceptional item was insurance claim for loss of profit and it was based on estimate of the Company which was confirmed by the surveyor appointed by the insurance company. Period considered for loss of profit was from the date of incident till the plant was recommissioned. Profit for the year is Rs. 363.12 million i.e. 44.73% lower than the previous year. Your Company has been continuously striving to increase its efficiency and productivity.

3. Reserves & Dividend:

Considering the current financial year situations, the directors recommend to plough back profit earned during the period for further strengthening the business and hence, do not recommend any dividend.

4. Auditors:

(i) Statutory Auditors:

It is proposed that S R B C & CO LLP (having Firm Registration Number 324982E/E300003) be appointed as the Statutory Auditors of the Company for a term of consecutive five years from the conclusion of 7th Annual General Meeting till the conclusion of 12th Annual General Meeting due to the unwillingness of Price Waterhouse Chartered Accountants LLP, Chartered Accountant to be reappointed.

S R B C & CO LLP is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. It is a member firm of EY Global. It was established in the year 2002 and is a limited liability partnership firm incorporated in India.

S R B C & CO LLP is holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. Members are requested to approve their appointment as the Auditors of your Company by passing an ordinary resolution under Section 139 of the Act.

The existing auditors Price Waterhouse Chartered Accountants LLP, have submitted their audit report on financial statements of the Company for FY 2016-17. The auditors' observation read with Notes to Accounts are self-explanatory and therefore do not call for any comment.

(ii) Cost Auditors:

As per Section 148 and other applicable provisions, if any, of the Act read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of your Company has reappointed M/s. Kiran J. Mehta, Cost Accountants as the Cost Auditors of your Company for FY 2017-18 on the recommendations made by the Audit Committee.

Members are requested to ratify their remuneration by passing an ordinary resolution in the forthcoming Annual General Meeting.

(iii) Secretarial Auditor:

The Secretarial Audit Report for the FY 2016-17 is attached herewith as Annexure - 2 to this Report and it does not contain any qualification, reservation or adverse remark.

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014, your

Company has appointed Mr. Uday Sohoni, Practicing Company Secretary, as the Secretarial Auditor of your Company for the FY 2017-18.

5. Share Capital:

During the year, no share with differential voting rights was issued by your Company nor did your Company issue any equity share as sweat equity share and no stock options were issued to the employees of your Company.

6. Listing with the Stock Exchanges:

Your Company's Non-Convertible Debentures are listed on The National Stock Exchange of India Limited (NSE). Annual listing fees for the FY 2017-18 have been paid to NSE.

7. Finance:

(i) Non-Convertible Debentures & Credit Rating:

During the year, your Company has redeemed debentures for an amount of Rs. 110 Crore carrying coupon rate 9.84% p.a. on March 30, 2017 & March 31, 2017.

During the year, your Company's long term issuer rating of "AA- [SO]" of debentures was reaffirmed by Credit Analysis & Research Limited (CARE). Further, your Company's short term issuer rating of "A2+" was reaffirmed by CARE.

(ii) Public Deposits:

Your Company has not accepted any deposit within the meaning of the Chapter V of the Companies Act, 2013. Further, no amount on account of principal or interest on deposit was outstanding as at the end of the year under Report.

8. Board of Directors & Key Managerial Personnel:

Your Company's Board comprises of mix of Executive and Non-Executive Directors. Except the independent directors, all other directors are liable to retire by rotation as per the provisions of the Companies Act, 2013. None of the Directors have any inter-se relationship amongst each other.

i. Directors Retiring by Rotation:

In accordance with the provisions of Section 152 of the Act and the Articles of Association of your Company, Ms. Dipali Goenka is retiring by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for her re-appointment.

The Board has recommended her re-appointment. There were no other appointments / resignation of Directors during the year under review.

ii. Appointment/Resignation of Director / Key Managerial Personnel:

Since the last Report, the following changes took place in the Board of Directors of the Company:

- Appointment of Ms. Dipali Goenka as Additional Director w.e.f. July 30, 2016;
- Appointment of Mr. K H Viswanathan as Independent Director w.e.f. July 30, 2016;
- Appointment of Mr. Atul Kumar Wahi as Additional Director w.e.f. October 14, 2016;
- Appointment of Ms. Revathy Ashok as Additional Director w.e.f. February 17, 2017;
- Resignation of Mr. Dadi Engineer as Director w.e.f. May 30, 2016;
- Resignation of Ms. Khushboo Mandawewala as Director w.e.f. July 31, 2016;
- Resignation of Mr. Apurba Kumar Dasgupta as Director w.e.f. January 18, 2017;
- Resignation of Mr. Sitaram Somani as Director w.e.f. March 31, 2017;
- Resignation of Mr. Anuj Burakia as Director w.e.f. March 31, 2017;
- Resignation of Mr. Shashikant Thorat as Company Secretary w.e.f. November 15, 2016 and
- Appointment of Mr. Varun Batra as Company Secretary w.e.f. November 15, 2016.

The Board has recommended the appointment of the abovementioned Additional Directors. There were no other appointments / resignation of Directors or Key Managerial Personnel during the year under review.

iii. Number of Meetings & Attendance:

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses. The Board met Seven (7) times during the FY 2016-2017. The detailed information on the meetings of the Board is as under:

Name of the Director	Category	Board Meetings Attended during the Year 2016-17	Attendance at the Last AGM	No. of other Directorship (as last declared to the Company)			Member / Chairman i No. of Board Committees including other Companies (as last declared to the Company)@
				Pu b.	Pvt	Other Body Corporate	
(1) Mr. Devendra Patil	Director	7/7	Yes	4	10	2	
(2) Mr. Anuj Burakia*	Director	6/6	No			#	
(3) Mr. Sitaram Somani*	Director	6/6	No			#	

(4). Ms. Khusbhoo Mandawewala*	Director	4/4	No	#			
(5) Mr. Malay Mahanti	Whole Time Director & Chief Financial Officer	1/7	Yes	Nil	Nil	Nil	
(5) Mr. Dadi Engineer*	Independent Director	2/2	No	#			
(6) Mr. Apurba Kumar Dasgupta*	Independent Director	4/5	No	#			
(7) Ms. Dipali Goenka#	Director	2/3	No	8	3	4	
(8) Mr. K H Viswanathan#	Independent Director	3/3	No	7	-	-	3C, 5N
(9) Mr. Atul Kumar Wahi#	Director	1/3	No	1	1	-	
(10) Ms. Revathy Ashok#	Independent Director	1/1	No	10	4	-	2C, 5N

* Mr. Anuj Burakia, Mr. Sitaram Somani, Ms. Khshboo Mandawewala, Mr. Dadi Engineer and Mr. Apurba Kumar Dasgupta has resigned from the Board of the Company with effect from March 31, 2017, July 31, 2016, May 30, 2016 and January 18, 2017 respectively and hence, details of his directorships and membership of Committees are not given.

Ms. Dipali Goenka, Mr. K H Viswanathan, Mr. Atul Kumar Wahi and Ms. Revathy Ashok has been appointed as Director of the Company w.e.f. July 30, 2016, October 14, 2016 and February 17, 2017 respectively.

In addition to the above, a meeting of the Independent Directors was held on March 30, 2017 in compliance with the Section 149(8) read with Schedule V to the Companies Act, 2013.

None of the Directors is a relative of the other.

iv. Declaration by an Independent Director(s):

The independent directors have individually declared to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 at the time of their respective appointment and there is no change in the circumstances as on the date of this report which may affect their status as an independent director.

v. Directors' Evaluation:

In compliance with the Act and SEBI Regulations 2015, the Board of Directors, as per the process recommended by the Nomination and Remuneration Committee, has evaluated the effectiveness of the Board, its Committees and Directors. The evaluation process invited graded responses to a structured questionnaire, which was largely in line with the SEBI Guidance Note on Board Evaluation, for each aspect of the evaluation. All the results were satisfactory.

9. Conservation of Energy, Technology Absorption: Foreign Exchange Earnings and Outgo:

Since the Company is not a manufacturing unit, the above particulars are not applicable.

10. Registrar and Transfer Agent:

The Company has appointed Registrar and Transfer Agent to handle the share /debenture transfer work and to resolve the complaints of shareholders/ debenture holders. Name, address and telephone number of Registrar and Transfer Agent is given hereunder:

M/s. Purva Sharegistry(India) Private Limited
Unit : Welspun Captive Power Generation Limited
9 Shiv Shakti Ind. Estt. J .R. Boricha Marg,
Opp. Kasturba Hospital Lane, Lower Parel (E)
Mumbai 400 011 Email - busicomp@gmail.com
Tel. No.: +91-22-23012518 / 23016761

11. Debenture & Debenture Trustee:

The Secured Non-Convertible Debentures issued by the Company are listed on NSE with the following identification numbers:

NSE Scrip Code	ISIN Nos
WCPG18	INE667O07024
WCPG19	INE667O07032

Debenture Trustee:

SBICAP Trustee Company Limited
Apeejay House, 6th Floor,
West Wing, 3, Dinshaw Vachha Road,
Churchgate, Mumbai – 400 020

12. Particulars of Contracts or Arrangements made with Related Parties:

All related party transactions that were entered into during the year under report were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by your Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of your Company at large. All related party transactions were entered into because of mutual need and to serve mutual interest. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, are given in Annexure- 3 to this Report. The Audit Committee has given its omnibus approval which is valid for one financial year. Your

The Non-Executive directors shall not be eligible for any remuneration / commission, unless specifically approved by the Board of Directors on recommendation of the Nomination and Remuneration Committee and by the shareholders. The Non-Executive Directors of the Company did not entered into any pecuniary transactions with the Company.

- o The remuneration to Executive Directors, Key Managerial Personnel and Senior Management Personnel at the time of appointment shall be mutually agreed. The Committee shall consider industry indicators, requirements of role, qualification and experience of candidate, expected contribution of executive to the profitability challenges specific to the Company and such other matters as the Committee may deem fit. The remuneration must motivate individuals to achieve benchmarks which must be aligned to the vision of the Company. The management shall periodically find out the remuneration scale prevalent in the industry / peer group to the extent possible to find out if there is a need for revision in remuneration for retaining the talent. The Non-Executive Directors may be paid commission after complying with required provisions of the Act. Besides, the Committee shall take into consideration performance, of the concerned executive as well as the Company, the growth of business, profitability, Company's business plan and critical role played / initiatives taken while considering pay hike / increment to the concerned executives.

(c) Corporate Social Responsibility (CSR):

In accordance with the requirements of Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The Board of Directors of your Company has approved a CSR Policy which is hosted on your Company's website and a web link thereto is: <http://www.welspuncaptivepower.com/userfiles/file/CSR%20Policy.pdf>.

The key philosophy of all CSR initiatives of the Company is enshrined in the three E's which have become guiding principles of our CSR initiatives – Education, Empowerment of Women and Environment & Health.

Disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 are given in **Annexure – 4** to this Report.

Terms of reference: To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Act and rules made thereunder.

Composition of the Committee: The Committee comprises of 3 (Three) members. Mr. K H Viswanthan, Mr. Devendra Patil and Ms. Diplai Goenka. The Chairman of the Committee is an Independent Director.

The Company Secretary Mr. Varun Batra acts as the Secretary of the Committee.

The Committee comprises of 3 (Three) Directors. The Committee met 6 times during the year. The Composition of Committee and attendance of the members is given hereunder:

Name of the Member	Member/ Chairman	Number of Meetings Attended
Mr. K H Viswanathan	Chairman	4/4
Mr. Apurba Kumar Dasgupta*	Chairman	5/5
Mr. Dadi Engineer*	Member	1/1
Mr. Devendra Patil	Member	6/6
Mr. Malay Mahanti	Member	0/1
Ms. Revathy Ashok	Member	0/0

* Mr. Dadi Engineer resigned w.e.f. May 30, 2016 and Mr. Apurba Kumar Dasgupta resigned w.e.f. January 18, 2017.

The Company Secretary Mr. Varun Batra acts as the Secretary of the Committee.

Nomination and Remuneration Policy: The Company follows a policy on remuneration of directors and senior management employees and the salient features thereof are as under:

Appointment of Directors:

o While identifying persons who may be appointed as director(s), the Committee shall consider business of the Company, strength, weakness, opportunity and threats to Company's business, existing composition of the board of directors, diversity, skills, expertise of existing directors and, background, skills, expertise, reputation and qualification possessed by the person being considered, specific requirements under the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws as to composition of the Board.

While identifying persons who may be appointed as independent directors, the Committee shall review their qualifications and suitability to ensure that such candidates will be able to function as directors 'Independently' and void of any conflict of interest, obligations, pressure from other Board members, KMPs, senior management and other persons associated with the Company.

Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel:

o The Non- Executive Directors including independent directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. 100,000 per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

vi. Familiarization program for Independent Director(s):

The familiarization program aims to provide the Independent Directors with the scenario within the industry, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant development so as to enable them to take well-informed decisions in timely manner. The familiarization programme also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

The policy on Company's familiarization programme for Independent Directors is hosted on your Company's website and a web link thereto is: <http://www.welspuncaptivepower.com/>.

vii. Committee of the Board:

(a) Audit Committee:

Terms of Reference: The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under Section 177 of the Companies Act, 2013.

The Committee comprises of 3 (Three) Directors having ability to read and understand the financial statements. 7 meetings of the Audit Committee of the Board of Directors were held during the financial year 2016-17. The composition of the committee and the attendance of the members is given as under:

Name of the Member	Member/ Chairman	Number of Meetings Attended
Mr. K H Viswanathan	Chairman	3/3
Mr. Apurba Kumar Dasgupta*	Chairman	4/5
Mr. Dadi Engineer*	Member	2/2
Mr. Devendra Patil	Member	1/1
Mr. Malay Mahanti	Member	2/6
Ms. Revathy Ashok	Member	0/0

* Mr. Dadi Engineer resigned w.e.f. May 30, 2016 and Mr. Apurba Kumar Dasgupta resigned w.e.f. January 18, 2017.

The Company Secretary Mr. Varun Batra acts as the Secretary of the Committee.

All the recommendations made by the Audit Committee were accepted/approved by the Board.

(b) Nomination and Remuneration Committee:

Terms of reference: To recommend appointment of, and remuneration to, Managerial Personnel and review thereof from time to time.

Company's policy on Related Party Transactions as approved by the Board is hosted on your Company's website and a web link thereto is:

[http://www.welspuncaptivepower.com/userfiles/file/Related%20Party%20Policy%20\(Modified\).pdf](http://www.welspuncaptivepower.com/userfiles/file/Related%20Party%20Policy%20(Modified).pdf)

The details of the related party transactions as required under IND AS 24 are set out in Note 27 to the Standalone financial statements forming part of this Report.

13. Loans, guarantees and investments:

Details of Loans given, Investments made, Guarantees given and Securities provided as covered under the provisions of Section 186 of the Act are given in the notes to the financial statements, if any.

14. Vigil Mechanism for Directors and Employees:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated Whistle Blower Policy and Vigil Mechanism for its directors and employees and any director or employee may make protected disclosures to the Chairman of the Audit Committee. No personnel have been denied access to the Audit Committee.

15. Risk management:

The Company has a risk management framework to inform the Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework. The Audit Committee is kept apprised of the proceedings of the Risk Management Committee and also apprised about the risk management framework.

16. Details of Remuneration to Directors and Key Managerial Personnel:

A] Details of the employee of your Company as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

There are no employees eligible as per the requirement of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

B] Details of Remuneration to Directors: Refer to Annexure - 1 to this Report.

17. Extract of the Annual Return:

An extract of the annual return in Form MGT-9 of the Companies (Management and Administration) Rules, 2014 is attached to this report as Annexure-1.

18. Internal controls:

Your Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. Your Company has designed and implemented a process driven framework for Internal Financial Control ("IFC") within the meaning of the explanation of Section 134(5)(e) of the Act and other relevant statutes applicable to your Company.

Your Company has well-documented Standard Operating Procedures (SOPs) for various processes which are periodically reviewed for changes warranted by business needs. The Internal Auditors continuously monitor the efficiency of the internal controls / compliance with the SOPs with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation's risk management, control and governance processes.

For the year ended March 31, 2017, the Board is of the opinion that your Company has sound IFC commensurate with the nature of its business operations; wherein adequate controls are in place and operating effectively and no material weakness exists. Your Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material effect on your Company's operation.

19. Directors' Responsibility Statement:

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, your directors hereby confirm that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the FY 2016-17;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis;
- e. being a listed company, the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. Miscellaneous:

During the year, there was no change in the general nature of business of your Company. Apart from the reason as mentioned under Point No. 1 of this Report, no material changes or commitments has occurred which would have affected the financial position of your Company between the end of the financial year to which the financial statements relate and

the date of the report. No significant and material order was passed by the regulators or courts or tribunals which would have impacted the going concern status and your Company's operations in future. No amount was required to be transferred to General Reserve. The Company does not have any subsidiary, joint venture and associate company; Further, based on the Policy on Prevention, Prohibition and Redressal of Sexual Harassment of women at workplace, the Internal Complaints Committee for each locations of your Company informed that no case of sexual harassments was reported during the year under review. Your Company has not made any provision of money for the purchase of, or subscription for, shares in your Company or its holding company, to be held by or for the benefit of the employees of your Company and hence the disclosure as required under Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is not required.

21. Acknowledgement:

Your Directors thank the Government Authorities, Financial Institutions, Banks, Customers, Suppliers, Shareholders, Employees, Debenture Trustees and other business associates of the Company, who through their continued support and co-operation, have helped as the partners in your company's progress and achievement of its objectives.

Place: Mumbai
Date: April 25, 2017


Dipali Goenka
Director
DIN - 00007199


Devendra Patil
Director
DIN - 00062784

Annexure -1
Form No. MGT - 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i. CIN :- U40100GJ2010PLC060502
- ii. Registration Date : April 30, 2010
- iii. Name of the Company : Welspun Captive Power Generation Limited
- iv. Category / Sub Category of the Company : Public Company
- v. Address of the registered office and contact details: Welspun City, Village Versamedi, Taluka Anjar. Dist. Kutch, Gujarat-370110.
Contact: The Company Secretary, Tele. 022-66136000/66136409;
email id: companysecretary_wil@welspun.com.
- vi. Whether listed company: Yes (Only Debentures are listed)
- vii. Name, address and contact details of Registrar and Transfer Agent, if any: Purva Shareregistry (India) Private Limited.
Address: Unit no. 9 Shiv Shakti Ind. Estt. J .R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E) Mumbai 400 011

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and description of main products / services	NIC code of the product / service	% to total turnover of the company.
1	Electricity	2716	70.22%
2	Steam		19.32%

			y	ered to total shares			mbere d to total shares	year
1.	Welspun India Limited	20,084,996	68.00	-	22,744,213	77.00	-	9.00
2.	Welspun Corp Limited	5,833,499	19.75	-	5,833,499	19.75	-	0.00
3.	Welspun Steel Limited	2,954,685	10.00	-	295468	1.00	-	(9.00)
4	Welspun Wasco Coatings Private Limited	664,804	2.25	-	664,804	2.25	-	0.00
	Total of Promoters	28,298,988	100.00	-	29,537,988	100.00	-	0.00

iii. Change in Promoters' shareholding

Sr. No	Constituent of Promoter Group	Shareholding at the beginning of the year		Reason for Increase/Decrease	Cumulative shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	Welspun Steel Limited	2,954,685	10.00	Sale of 2,659,217 equity shares to Welspun India Limited	295,468	1.00
2	Welspun India Limited	20,084,996	68.00	Purchase of 2,659,217 equity shares from Welspun Steel Limited	22,744,213	77.00

iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

v. Shareholding of Directors and Key Managerial Personnel : Not Applicable

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	2,200,000,000	-	-	2,200,000,000
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	11,861,92	-	-	1,186,192
Total (i + ii + iii)	2,201,186,192	-	-	2,201,186,192
Change in indebtedness during the financial year.				
• Addition	-	-	-	-
• Reduction	1,100,000,000	-	-	1,100,000,000
Net change	-1,100,000,000	-	-	-1,100,000,000
Indebtedness at the end of the financial year				
i. Principal Amount	1,100,000,000	-	-	1,100,000,000
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	620,822	-	-	620,822
Total (i+ii+iii)	1,100,620,822	-	-	1,100,620,822

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. Remuneration to Managing Director, whole-time directors and/or Manager: Not Applicable

B. Remuneration to other directors.

Sr. No	Particulars of Remuneration	Name of Directors				Total amount
		Dadi Engineer*	A.K Dasgupta*	K H Viswanathan	Revathy Ashok	
1.	Independent Directors					

<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	38,250	96,750	83,250	18,000	236,250
<ul style="list-style-type: none"> • Commission • Others, please specify 	-	-	-	-	-
Total (1)	38,250	96,750	83,250	18,000	236,250
2. Other Non-Executive Directors	Nil	Nil	Nil	Nil	Nil
<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	-	-	-	-	-
Total (2)	Nil	Nil	Nil	Nil	Nil
Total (B) = (1 + 2)	38,250	96,750	83,250	18,000	236,250
Total Managerial Remuneration (A+B)					236,250
Overall Ceiling as per the Act.					29,094,092


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

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES UNDER COMPANIES ACT, 2013: NIL

For Welspun Captive Power Generation Limited

Place: Mumbai
Date: April 25, 2017


Dipali Goenka
Director
DIN: 00007199


Devendra Patil
Director
DIN: 00062784

UDAY SOHONI
COMPANY SECRETARY

E/82, Mayflower, Gabriel Street, Mahim, Mumbai-400016
Contact: 9820767059 E- mail : udaysohoni@gmail.com

Form No. MR -3

*[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]*

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

To,
The Members,
WELSPUN CAPTIVE POWER GENERATION LIMITED,
Welspun City, Village Versamedi,
Anjar - 370110,
Gujarat, India.
CIN: U40100GJ2010PLC060502

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WELSPUN CAPTIVE POWER GENERATION LIMITED** (hereinafter referred to as 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

WU



UDAY SOHONI
COMPANY SECRETARY

E/82, Mayflower, Gabriel Street, Mahim, Mumbai-400016
Contact: 9820767059 E- mail : udaysohoni@gmail.com

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the company during the period under review)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; (Not applicable to the company during the period under review)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the period under review)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with The National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.



UDAY SOHONI
COMPANY SECRETARY

E/82, Mayflower, Gabriel Street, Mahim, Mumbai-400016
Contact: 9820767059 E- mail : udaysohoni@gmail.com

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda thereon were sent in compliance to the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions were carried out by majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year under review, the Company has redeemed debentures for an amount of Rs. 22 Crore and Rs. 88 Crore carrying coupon rate 9.84% p.a. on March 30, 2017 & March 31, 2017.. The Company has complied with the provisions of the Companies Act, 2013, the Secretarial Standards, and all other applicable provisions in the process of variation of shares.



Uday Sohoni

Uday Sohoni
Practising Company Secretary
ACS 29359, CP 10916
April 25, 2017
Mumbai

Annexure - 3

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under third proviso thereto.


1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis.

(a)	Name(s) of the related party and nature of relationship	Welspun India
(b)	Nature of contracts/arrangements/transactions	Sale of power and steam
(c)	Duration of the contracts / arrangements/transactions	Perpetual
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	As may be mutually agreed periodically considering prevalent market conditions.
(e)	Date(s) of approval by the Board	July 30, 2014
(f)	Amount paid as advances, if any	N.A.

For Welspun Captive Power Generation Limited

Place: Mumbai
Date: April 25, 2017


Dipali Goenka
Director
DIN: 00007199


Devendra Patil
Director
DIN: 00062784

Annexure - 4

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Company is not only committed for doing Corporate Social Responsibility but it aims at creating Corporate Social Value. The CSR vision is enshrined in the 3E's i.e.:

- i) Education;
- ii) Empowerment of women; and
- iii) Environment & Health.

These 3E's are implemented through:

- The programs organized by the Trust formed by the Group;
- Tie-ups with Non-Governmental Organizations / Developmental Agencies / Institutions; and
- Facilitating Government initiatives.

The Company's CSR Policy is disclosed on the website of the Company, a web-link of which is as under:

<http://www.welspuncaptivepower.com/userfiles/file/CSR%20Policy.pdf>

2. The Composition of the CSR Committee:


The Committee comprises of 3 non-executive directors as on date of this Report viz. 1) Mr. K H Viswanathan – an Independent Director as the Chairman; 2) Mr. Devendra Patil - Member; and 3) Ms. Dipali Goenka - Member, Mr. Varun Batra - Company Secretary acts as the Secretary to the Committee.


3. Average net profit of the Company for last three financial years: Rs. 3,384,602/-
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 67,692/-
5. Details of CSR spent during the financial year:
 - a. Total amount to be spent for the financial year: Rs. 67,692/-
 - b. Amount unspent, if any: NIL
 - c. Manner in which the amount spent / committed during the financial year is detailed below:

Sr No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (Location)	Amount Outlay (Budget) project or programs wise (Rs. in millions)	Amount spent on the projects or programs (Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads)	Cumulative exp. up to the reporting period	Amount spent : Direct or through implementing agency
1	Scholarships to poor children in villages	Promoting Education	Anjar, Gujarat	75,000	Direct Expenditure	75,000	Direct
Total Direct Expenditure						75,000	
Staff salaries and overheads						-	
Grand Total						75,000	

It is hereby confirmed by and on behalf of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

K H Viswanathan
Chairman of CSR Committee
DIN: 00391263


Dipali Goenka
Director
DIN: 00007199


Devendra Patil
Director
DIN: 00062784

April 25, 2017
Mumbai

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WELSPUN CAPTIVE POWER GENERATION LIMITED

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

1. We have audited the accompanying financial statements of **Welspun Captive Power Generation Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017 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.

Management's Responsibility for the Ind AS Financial Statements

2. 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 of these Ind AS financial statements to 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 in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including 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.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.



Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)
Mumbai - 400 028
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Welspun Captive Power Generation Limited

Report on the Financial Statements

Page 2 of 3

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated April 25, 2016 and April 28, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Welspun Captive Power Generation Limited
Report on the Financial Statements

Page 3 of 3

- 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 the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - (i) The Company does not have any pending litigations as at March 31, 2017 which would impact its financial position.
 - (ii) The Company has long-term contracts as at March 31, 2017 for which there were no material foreseeable losses. The Company did not have long term derivative contracts as at March 31, 2017.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
 - (iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company - Refer Note 5 (d).

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/500016



Mehul Desai
Partner
Membership Number 103211

Mumbai
April 25, 2017

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Welspun Captive Power Generation Limited on the financial statements for the year ended March 31, 2017

Page 1 of 2

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

1. We have audited the internal financial controls over financial reporting of Welspun Captive Power Generation Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. 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 (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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 financial statements, whether due to fraud or error.
5. 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.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 11 (f) of the Independent Auditors' Report of even date to the members of Welspun Captive Power Generation Limited on the financial statements for the year ended March 31, 2017

Page 2 of 2

Meaning of Internal Financial Controls Over Financial Reporting

6. 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

7. 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Mehul Desai
Partner
Membership Number 103211

Mumbai
April 25, 2017

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Welspun Captive Power Generation Limited on the financial statements as of and for the year ended March 31, 2017

Page 1 of 2

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
 - (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, duty of excise or value added tax which have not been deposited on account of any dispute.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Welspun Captive Power Generation Limited on the financial statements as of and for the year ended March 31, 2017

Page 2 of 2

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of debentures issued through private placement have been applied for the purposes for which they were obtained. These debentures were listed on the wholesale Debt Market Segment of the National Stock Exchange ("NSE") on April 13, 2016.
- x. 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.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act.
- xiv. 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, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Mehul Desai
Partner

Membership Number 103211

Mumbai
April 25, 2017

WELSPUN CAPTIVE POWER GENERATION LIMITED

BALANCE SHEET AS AT MARCH 31, 2017

	Notes	As At March 31, 2017 (Rs. million)	As At March 31, 2016 (Rs. million)	As At April 1, 2015 (Rs. million)
ASSETS				
Non-current assets				
Property, plant and equipment	3	2,289.54	2,640.17	3,013.49
Capital work-in-progress	3	0.08	0.48	30.55
Intangible assets	4	0.28	0.38	0.48
Financial assets	5 (a)	1.40	5.40	1.24
Deferred Tax Assets (Net)	6	115.98	154.66	212.93
Other non-current assets	7	2.72	0.03	0.22
Total non-current assets		2,410.00	2,801.12	3,258.91
Current assets				
Inventories	8	148.16	102.72	105.95
Financial assets				
(i) Investments	5 (b)	25.00	-	49.17
(ii) Trade Receivables	5 (c)	0.14	346.03	270.08
(iii) Cash and Cash Equivalents	5 (d)	64.80	199.10	212.04
(iv) Bank balances other than (iii) above	5 (e)	37.73	8.86	9.39
(v) Other financial assets	5 (a)	480.11	0.19	0.51
Current tax assets	9	31.09	0.88	-
Other current assets	10	18.68	46.63	37.89
Total current assets		805.71	704.41	685.03
Total assets		3,215.71	3,505.53	3,943.94
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	11 (a)	295.38	295.38	295.38
Other equity				
Equity component of compound financial instruments	12 (a)	717.36	717.36	717.36
Reserves and surplus	11 (b)	246.18	54.74	(149.78)
Total equity		1,258.90	1,067.48	862.98
Liabilities				
Non-current liabilities				
Financial Liabilities				
- Borrowings	12 (a)	1,060.55	2,138.42	2,366.60
- Other financial liabilities	12 (b)	0.05	-	-
Employee benefit obligations	13	2.89	2.13	1.80
Total non-current liabilities		1,063.43	2,140.55	2,368.40
Current liabilities				
Financial Liabilities				
(i) Borrowings	12 (a)	113.60	-	255.92
(ii) Trade payables	12 (c)	-	-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		134.11	60.10	67.36
(iii) Other financial liabilities	12 (b)	237.64	231.67	381.45
Employee benefit obligations	13	0.71	0.59	0.57
Current tax liabilities		-	-	2.74
Other current liabilities	14	407.32	5.14	4.52
Total current liabilities		893.38	297.50	712.56
Total Liabilities		1,956.81	2,438.05	3,080.96
Total equity and liabilities		3,215.71	3,505.53	3,943.94

The above balance sheet should be read in conjunction with the accompanying notes

This is the Balance Sheet referred to in our report of the even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016


Mehul Desai
Partner
Membership No. 103211

Place: Mumbai
Date: April 25, 2017

For and on behalf of the Board of Directors


Malay Mahanti
Director and CFO
DIN: 07005344


D. K. Patil
Director
DIN: 00062784


Varun Batra
Company Secretary

Place: Mumbai
Date: April 25, 2017

WELSPUN CAPTIVE POWER GENERATION LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

Notes	Year ended March 31, 2017 (Rs. million)	Year ended March 31, 2016 (Rs. million)	
Revenue from operations	15	2,088.17	2,863.09
Other income	16	67.81	18.47
Total revenue		2,156.98	2,881.56
Expenses			
Cost of materials consumed	17	1,042.21	1,282.05
Purchases of stock-in-trade		155.11	65.36
Employee benefits expense	18	78.50	62.80
Depreciation and amortization expense	19	351.52	416.36
Other expenses	20	314.90	266.66
Finance costs	21	279.50	300.14
Total expenses		2,221.74	2,393.37
Profit/(loss) before exceptional items and tax		(65.76)	488.19
Exceptional Items			
- Insurance Claim for Loss of Profit	5 (a)	357.33	-
Profit before tax		291.57	488.19
Income Tax Expense	22		
- Current Tax		62.23	105.94
- Deferred Tax		38.42	58.60
Total Income Tax Expense		100.65	164.54
Profit/ (loss) for the year		190.92	323.65
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	18	(0.76)	0.97
Income tax relating to this item	22	0.26	(0.33)
Other Comprehensive Income for the year, net of tax		(0.50)	0.64
Total Comprehensive Income for the year		191.42	323.01
Earnings Per Share (Rs.) [Nominal value per share : Rs. 10 (March 31, 2016 : Rs. 10)]	32		
Basic earning per share		6.48	10.93
Diluted earning per share		6.48	10.93

The above statement of profit and loss should be read in conjunction with the accompanying notes.


This is the Statement of Profit and Loss referred to in our report of the even date.


For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016



Mehul Desai
Partner
Membership No. 103211

Place: Mumbai
Date: April 25, 2017

For and on behalf of the Board of Directors

 Malay Mahanti
Director and CFO
DIN: 07005344

 D. K. Patil
Director
DIN: 00062784

 Varun Batra
Company Secretary

Place: Mumbai
Date: April 25, 2017

WELSPUN CAPTIVE POWER GENERATION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2017

a. Equity Share Capital

(Rs. million)

Particulars	Notes	Amount
Balance as at April 1, 2015	11 (a)	295.38
Changes in equity share capital during the year		-
Balance as at March 31, 2016	11 (a)	295.38
Changes in equity share capital during the year		-
Balance as at March 31, 2017	11 (a)	295.38

b. Other Equity

(Rs. million)

	Notes	Equity component of compound financial instruments	Reserves and Surplus		Total Equity
			Debtenture Redemption Reserve	Retained earnings	
Balance as at April 1, 2015		717.36	-	(149.76)	567.60
Profit for the year	11 (b)	-	-	323.65	323.65
Other Comprehensive Income		-	-	(0.64)	(0.64)
Total Comprehensive Income for the year		-	-	323.01	323.01
Transaction with owners in their capacity as owners :					
Dividends paid on preference shares (including dividend distribution tax)	11 (b)	-	-	(118.51)	(118.51)
Transfer to Debtenture Redemption Reserve from retained earnings	11 (b)	-	55.00	(55.00)	-
Balance as at March 31, 2016		717.36	55.00	(0.26)	772.10

(Rs. million)

	Notes	Equity component of compound financial instruments	Reserves and Surplus		Total Equity
			Debtenture Redemption Reserve	Retained earnings	
Balance as at April 1, 2016		717.36	55.00	(0.26)	772.10
Profit for the year	11 (b)	-	-	190.92	190.92
Other Comprehensive Income		-	-	0.50	0.50
Total Comprehensive Income for the year		-	-	191.42	191.42
Transfer to Debtenture Redemption Reserve from retained earnings	11 (b)	-	44.31	(44.31)	-
Balance as at March 31, 2017		717.36	99.31	146.65	963.52

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LL For and on behalf of the Board of Directors

Firm Registration No: 012754N/ N500016


Mehul Desai
Partner
Membership No. 103211


Malay Mahanti
Director and CFO
DIN: 07005344

 
D. K. Patil Varun Batra
Director Company Secretary
DIN: 00062784

Place: Mumbai
Date: April 25, 2017

Place: Mumbai
Date: April 25, 2017

WELSPUN CAPTIVE POWER GENERATION LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	For the Year Ended March 31, 2017 Rs. million	For the Year Ended March 31, 2016 Rs. million
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit Before Tax	291.57	488.19
Adjustments for :		
Depreciation and Amortisation Expenses	351.52	416.36
Unrealised Foreign Exchange Differences	6.26	(0.01)
Changes in fair value of financial assets at fair value through profit or loss	(27.36)	(14.30)
Remeasurement of post employment benefits	0.76	(0.97)
Dividend and interest income classified as investing cash flows	(23.71)	(4.07)
Discounting and bank charges	3.22	4.86
Interest and Other Expenses	276.28	295.28
	<u>586.97</u>	<u>697.15</u>
Operating Profit Before Working Capital Changes	<u>870.54</u>	<u>1,185.34</u>
Change in operating assets and liabilities :		
(increase) in trade receivables	(133.24)	(75.95)
Increase/ (decrease) in trade and other payables and provisions	74.01	(7.26)
(Increase)/ decrease in inventories	(45.44)	3.23
(Increase)/ decrease in other current assets	27.95	(8.74)
(Increase) in other non current assets	(2.69)	-
Increase in employee benefit obligation	0.82	0.35
Other non-current financial liabilities	0.05	-
Other current financial liabilities	(0.05)	0.05
Increase in other current liabilities	402.18	0.62
	<u>323.59</u>	<u>(87.70)</u>
Cash Generated from Operations	<u>1,202.14</u>	<u>1,097.64</u>
Income Tax paid	(92.44)	(109.56)
Net Cash Inflow from Operating Activities	<u>1,109.69</u>	<u>988.08</u>
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Capital Work-in-Progress	(0.37)	(12.59)
Payments for purchase of investments	(24.87)	(3.63)
Proceeds from sale of investments	2.36	63.47
Dividend Received	-	0.24
Interest Received	22.92	4.15
Net Cash Inflow from Investing Activities	<u>0.04</u>	<u>51.64</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long-term Borrowings / (Repayment)	(1,077.87)	(377.72)
Proceeds from Short-term Borrowings / (Repayment)	113.60	(255.92)
Dividend Paid	-	(98.46)
Tax on Dividend Paid	-	(20.05)
Interest and Other Finance Expenses	(279.76)	(300.51)
Net Cash Outflow from Financing Activities	<u>(1,244.03)</u>	<u>(1,052.66)</u>
Net decrease in Cash and Cash Equivalents (A + B + C)	<u>(134.30)</u>	<u>(12.94)</u>
Cash and Cash Equivalents at the beginning of the year	199.10	212.04
Cash and Cash Equivalents at the end of the year	64.80	199.10
Net Decrease in Cash and Cash Equivalents	<u>(134.30)</u>	<u>(12.94)</u>

Notes :

1. Previous year's comparatives have been reclassified to conform with the current year's presentation, wherever applicable.
2. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flow.

The above statement of cash flows should be read in conjunction with the accompanying notes

This is the Cash Flow referred to in our report of the even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016

For and on behalf of the Board of Directors



Mehul Desai
Partner
Membership No. 103211



Malay Mahanti
Director and CFO
DIN: 07005344



D. K. Patil
Director
DIN: 00062784



Varun Batra
Company Secretary

Place: Mumbai
Date: April 25, 2017

Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

General Information

Welspun Captive Power Generation Limited (hereinafter referred as "the Company") is a public limited company incorporated and domiciled in India. The address of its registered office is "Welspun City", Village Versamedi, Tal. Anjar, Dist Kutch, Gujarat - 370110, India. The Company is engaged in the business of generation and sale of power and steam mainly to its group companies. The Company has 80 megawatt power generation facility at Anjar, Gujarat.

The Company has its Non-convertible debentures listed on Wholesale Debt Market of National Stock Exchange w.e.f. April 13, 2016.

The financial statements were authorised for issue by the board of directors on April 25, 2017.

Note 1: Significant Accounting Policies

This Note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation of financial statements

a) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous GAAP").

These financial statements are the first financial statements of the Company under Ind AS. Refer note 33 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

b) Historical cost convention

The financial statements have been prepared on an accrual and going concern basis. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value as stated in subsequent policies.

1.2 Foreign currency translations

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.



Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

1.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits associated with the transaction will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of power and steam

Revenue from supply of power and steam is recognised on an accrual basis based on the billing to customers in accordance with the terms of agreements entered with them.

Sale of coal

Revenue from sale of coal is recognised when the risk and rewards of ownership in goods are transferred to the buyer as per the terms of the contract and is recognised net of sales taxes.

1.4 Other Income

Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the Investment.

1.5 Income Tax

The income tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income respectively.

Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the Deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax ('MAT') credit entitlement is recognized as a deferred tax asset if it is probable that MAT credit will reverse in the foreseeable future and taxable profit will be available against which deferred tax asset can be utilised.

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to Statement of Profit and Loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

1.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. Refer note 26 for segment information presented.

1.7 Exceptional items

Exceptional items comprise items of income and expense, including tax items, that are material in amount and unlikely to recur and which merit separate disclosure in order to provide an understanding of the Company's underlying financial performance.



Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

1.8 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.9 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Cost comprises of purchase price (including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates) and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Assets	Estimated Useful Life
Office Equipment	5 years
Furniture and fixtures	10 years
Computer	3 years except Networking equipments which are depreciated over useful life of 4 years
Vehicles	10 years
Factory Building	28.5 years
Office Building	30 years
Road, Fencing, etc	Ranging between 3 to 5 years

Plant and Machinery is depreciated on written down value method over the useful life ranging between 9 years to 20 years based on a technical evaluation which is lower than the life prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.



Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income, as applicable.

1.10 Intangible assets

Computer Software

Computer Software with finite useful lives acquired by the Company are measured at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation methods and periods

Intangible assets comprise of computer software which is amortized on a straight-line basis over its expected useful life over a period of five years.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

1.11 Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.12 Inventories

Raw materials and stores and spares are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases and related expenses incurred in bringing inventory to its present location and condition. Cost is determined using the weighted average method. Net realizable value is the estimate of the selling price in the ordinary course of the business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.13 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

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

a. Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

• Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other expenses or other income, as applicable. Interest income from these financial assets is included in other income using the effective interest rate method.

• Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other expenses or other income, as applicable in the period in which it arises. Interest income from these financial assets is included in other income.

b. Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.



Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note No. 24 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

a. Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

b. Dividends

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(vi) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities 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.

For the purpose of statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within borrowings in current liabilities in statement of financial position and which are considered as integral part of the Company's cash management policy.



Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

(vii) Trade receivable

Trade receivable are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Financial liabilities

(i) Measurement:

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss. Liabilities from finance lease agreements are measured at the lower of fair value of the leased asset or present value of minimum lease payments.

(ii) Derecognition:

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 or loss.

(iii) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

(iv) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

Compound instrument

Compound financial instrument issued by the Company comprises of compulsorily redeemable non-convertible preference shares. Compound financial instruments are split into separate equity and liability components. The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have discretionary dividend feature/ off market interest rate. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Interest related to the liability component of compound instrument is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset).

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

Derivatives and hedging activities

In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Company enters into forward, option, swap contracts and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

(i) Derivatives that are not designated as hedges

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.

(ii) Embedded Derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 "Financial Instruments" are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.



Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

Embedded foreign currency derivatives:

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.14 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

1.15 Employee benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.



The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity, and
- defined contribution plans such as provident fund and superannuation Fund

Defined Benefit Plans

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Remeasurements are not reclassified to profit and loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

Provident Fund

The Contribution towards provident fund for certain employees is made to the regulatory authorities where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations apart from the contributions made on a monthly basis.

Superannuation Fund

Contribution towards superannuation fund for certain employees is made to SBI Life Insurance Company where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from contribution made on monthly basis.

d) Bonus Plan

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.



1.16 Provisions and contingent liabilities

- a) **Provisions** are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

- b) **Contingent liabilities** are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.
- c) **Contingent Assets** are disclosed, where an inflow of economic benefits is probable.

1.17 Contributed Capital

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.18 Provision for dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.19 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year (Note 32).



Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.20 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions with two decimal as per the requirement of Schedule III, unless otherwise stated.

1.21 New standards/ amendments to existing standards issued but not yet adopted

Following are the amendments to existing standards which have been issued by The Ministry of Corporate Affairs ('MCA') that are not effective for the reporting period and have not been early adopted by the Company:

Amendments to Ind AS 7, 'Statement of cash flows' on disclosure initiative:

The amendment to Ind AS 7 introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. This includes changes arising from cash flows (e.g. drawdowns and repayments of borrowings) and non-cash changes (i.e. changes in fair values), Changes resulting from acquisitions and disposals and effect of foreign exchange differences. Changes in financial assets must be included in this disclosure if the cash flows were, or will be, included in cash flows from financing activities. This could be the case, for example, for assets that hedge liabilities arising from financing liabilities. The Company is currently assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after April 1, 2017.

Note 2: Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

i) Estimation involved in deferred tax

The recognition of deferred tax assets/ liabilities is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. (Refer Note 6).



Welspun Captive Power Generation Limited

Notes to the Financial Statements for the year ended March 31, 2017

ii) Estimated useful life of Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the Company's property, plant and equipment and intangible assets refer Note 3 and Note 4.

iii) Estimation of Defined Benefit Obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer Note 18 for the details of the assumptions used in estimating the defined benefit obligation.

iv) Estimated fair value of Financial Instruments.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used see Note 23.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 3 : Property, Plant and Equipment	Building	Plant and Machinery	Vehicles	Furniture and Fixtures	Office Equipment	Computers	Total	Capital Work In Progress
Year ended 31 March 2016								
Deemed cost as at 1 April 2015	636.03	2,372.29	0.04	0.99	3.10	1.04	3,013.49	30.56
Addition	0.20	0.95	0.01	0.07	0.35	0.13	1.71	11.16
Disposals	-	-	-	-	-	-	-	-
Transfers	8.15	33.08	-	-	-	-	41.23	(41.23)
Closing gross carrying amount	644.38	2,406.32	0.05	1.06	3.45	1.17	3,056.43	0.48
Accumulated Depreciation								
Depreciation charge during the year	29.05	385.34	0.02	0.17	1.14	0.54	416.26	-
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation	29.05	385.34	0.02	0.17	1.14	0.54	416.26	-
Net Carrying amount	615.33	2,020.98	0.03	0.89	2.31	0.63	2,640.17	0.48
Year ended 31 March 2017								
Gross carrying amount								
Opening gross carrying amount	644.38	2,406.32	0.05	1.06	3.45	1.17	3,056.43	0.48
Additions	-	0.06	-	0.01	0.03	-	0.10	0.29
Disposals	-	-	-	-	-	-	-	-
Transfers	-	0.69	-	-	-	-	0.69	(0.69)
Closing gross carrying amount	644.38	2,407.07	0.05	1.07	3.48	1.17	3,057.22	0.08
Accumulated depreciation and impairment								
Opening accumulated depreciation	29.05	385.34	0.02	0.17	1.14	0.54	416.26	-
Depreciation charge during the year	27.35	322.54	0.00	0.12	0.89	0.52	351.42	-
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment	56.40	707.88	0.02	0.29	2.03	1.06	767.68	-
Net carrying amount	587.98	1,699.19	0.03	0.78	1.45	0.11	2,289.54	0.08

(i) Property, plant and equipment pledged as security
Refer to Note 12 for information on property, plant and equipment pledged as security by the Company.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 4 : Intangible Assets

(Rs. million)

Computer Software	
Year ended 31 March 2016	
Deemed cost as at 1 April 2015	0.48
Addition	-
Closing gross carrying amount	0.48
Accumulated Depreciation	
Amortisation during the year	0.10
Closing accumulated depreciation	0.10
Net Carrying amount	0.38
Year ended 31 March 2017	
Gross carrying amount	
Opening gross carrying amount	0.48
Additions	-
Closing gross carrying amount	0.48
Accumulated depreciation and impairment	
Opening accumulated depreciation	0.10
Amortisation during the year	0.10
Closing accumulated depreciation and impairment	0.20
Net carrying amount	0.28



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	As At March 31, 2017 (Rs. million)	As At March 31, 2016 (Rs. million)	As At April 1, 2015 (Rs. million)
Note 5 : Financial assets			
5 (a) : Other non-current financial assets			
Fixed deposits with Banks with maturity period more than twelve months *	1.40	5.40	1.24
Total	1.40	5.40	1.24

* Held as lien by Banks against letter of credit facility and bank guarantee facilities.

5 (a) : Other current financial assets

Interest Accrued on Bonds	0.98	-	0.26
Interest Accrued on Deposits	-	0.19	0.25
Insurance Claim Receivable (Refer Note below)			
- Loss of profit	357.33	-	-
- Repair cost related to fixed assets and stores	121.80	-	-
Total	480.11	0.19	0.51

Note:

During the year, a fire incident occurred at the Turbine-Generator building of the Company's power plant at Anjar which resulted into forced shut down of the power plant. The Plant was insured under an Industrial All Risk (IAR) Insurance policy. Based on the quantification of assessment of loss of profit during business interruption period carried out by the Company and confirmed by the surveyor appointed by the insurance company, the Company has accounted for Rs. 357.33 million under Exceptional Item being loss of profit from the date of incident till the plant was recommissioned. The claim is being processed for settlement by competent authorities.

Further due to fire, the Company has incurred repair cost related to fixed assets and stores amounting to Rs. 241.80 million. Out of the total repair cost incurred, Rs. 120 million was received from the insurance company as at March 31, 2017. The balance Rs. 121.80 million has been disclosed as insurance claim receivable which is being processed.

The plant is operational since January 16, 2017.

5 (b) : Current investments

Quoted:

Investment in bonds measured at FVPL

50	Bonds	-	-	49.17
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Unquoted:

Investment in mutual funds measured at FVPL

11,102	Invesco India Ultra Short Term Mutual Fund	25.00	-	-
Total		25.00	-	49.17

Aggregate amount of quoted investments and market value thereof

-	-	49.17
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Aggregate amount of unquoted investments

25.00	-	-
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5 (c) : Trade receivables

Unsecured (Considered Good)

Trade Receivables	0.14	2.68	39.22
Receivables from related parties (Refer Note 27)	-	343.35	230.86
Total	0.14	346.03	270.08



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	As At March 31, 2017 (Rs. million)	As At March 31, 2016 (Rs. million)	As At April 1, 2015 (Rs. million)
5 (d) : Cash and cash equivalents			
Balances with banks			
- In current accounts	64.05	94.11	96.97
Fixed deposits with Banks with maturity period of less than three months	0.29	104.74	115.00
Cash on Hand	0.46	0.25	0.07
Total	64.80	199.10	212.04

The details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 as provided in the table below:-

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	(Rs. million)		
	SBN's*	Other denomination	Total
Closing cash in hand as on November 8, 2016	0.10	0.00	0.10
Add: Permitted receipts	-	0.32	0.32
Less: Permitted payments	-	0.01	0.01
Less: Amount deposited in Banks	0.10	-	0.10
Closing balance as at December 30, 2016	-	0.31	0.31

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

5 (e) : Bank balances other than cash and cash equivalents

Other Bank balances*			
- Fixed deposits with maturity more than 3 months but less than 12 months	37.73	8.86	9.39
Total	37.73	8.86	9.39

* Includes Rs. 2.72 million (March 31, 2016: Rs. 5.32 million, April 1, 2015: Rs. 4.17 million) held as lien by Banks against letter of credit facility and bank guarantee facilities. This also includes Rs. 33.10 million (March 31, 2016: Nil, April 1, 2015: Nil) deposited, being 15% of the amount of non-convertible debentures maturing during the year.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	As At March 31, 2017 (Rs. million)	As At March 31, 2016 (Rs. million)	As At April 1, 2015 (Rs. million)
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Note 6 : Deferred Tax Assets (Net)

Minimum Alternative Tax Credit Entitlement	177.53	115.30	9.36
Deferred Tax Asset arising on account of Timing differences in:			
- Unabsorbed Depreciation under the Income Tax Act, 1961	221.70	379.96	588.49
- Expenses inadmissible under Section 40(a) of the Income Tax Act, 1961	1.27	1.75	1.51
- Provision for Employee Benefits	1.22	0.83	0.69
- Others	(2.21)	(3.00)	-
Deferred Tax Liabilities arising on account of Timing differences in:			
- Property, plant and equipment	(157.14)	(206.92)	(247.72)
- Classification of preference share Liability in equity and liability at inception	(128.39)	(133.26)	(139.40)
Total	115.98	154.66	212.93

Movement in deferred tax assets

Particulars	Minimum Alternative Tax Credit Entitlement	Property, plant and equipment	Defined Benefit Obligation	Expenses inadmissible u/s 40a(iia)	Unabsorbed depreciation	Classification of preference share Liability in equity and liability at inception	Others	Total
April 01, 2015	9.36	(247.72)	0.69	1.51	588.49	(139.40)	-	212.93
Charged / (Credited) :								
to Profit & Loss	105.94	40.80	0.14	0.24	(206.53)	6.14	(2.67)	(57.94)
to Other Comprehensive Income	-	-	-	-	-	-	(0.33)	(0.33)
Deferred tax on basis adjustment	-	-	-	-	-	-	-	-
March 31, 2016	115.30	(206.92)	0.83	1.75	379.96	(133.26)	(3.00)	154.66
Charged / (Credited) :								
to Profit & Loss	62.23	49.78	0.39	(0.48)	(156.28)	6.07	0.53	(38.94)
to Other Comprehensive Income	-	-	-	-	-	-	0.26	0.26
Deferred tax on basis adjustment	-	-	-	-	-	-	-	-
March 31, 2017	177.52	(157.14)	1.22	1.27	221.70	(128.39)	(2.21)	115.98

Significant estimates

The Company has recognised deferred tax assets on unabsorbed depreciation. The Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets for the Company. The Company is expected to generate taxable income from 2019 onwards. The unabsorbed depreciation can be carried forward indefinitely as per local tax regulations.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	As At March 31, 2017 (Rs. million)	As At March 31, 2016 (Rs. million)	As At April 1, 2015 (Rs. million)
Note 7 : Other non-current assets			
Capital Advances	-	-	0.20
Balances with Customs and other Government Authorities	2.72	0.03	0.02
Total	2.72	0.03	0.22
Note 8 : Inventories			
Raw Materials (Includes in transit and with third party Rs. 68.75 million; March 31, 2016 : Rs. 53.84 million, April 1, 2015 : Rs. 56.79 million)	101.10	59.73	80.80
Stores and Spares	47.06	42.99	25.15
Total	148.16	102.72	105.95
Note 9 : Current tax assets			
Opening balance	0.88	(2.74)	-
Add: Current tax payable for the year	(62.23)	(105.94)	-
Less: Taxes paid	92.44	109.56	-
Closing balance	31.09	0.88	-
Note 10 : Other current assets			
Advances to suppliers	2.83	0.63	4.91
Balances with Customs and other Government Authorities	-	36.77	25.59
Advance to Employees	0.26	0.17	0.10
Prepaid Expenses	15.59	9.06	7.29
Total	18.68	46.63	37.89



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 11 (a) : Equity share capital

Authorised Share Capital	Equity Shares of Rs. 10 each	
	Number of Shares	Amount (Rs. million)
As at April 1, 2015	30,000,000	300.00
Increase during the year	-	-
As at March 31, 2016	30,000,000	300.00
Increase during the year	-	-
As at March 31, 2017	30,000,000	300.00

(i) Movements In Equity Share Capital	Equity Shares of Rs.10 each fully paid up	
	Number of shares	Amount (Rs. million)
As at April 1, 2015	29,537,988	295.38
Additions during the year	-	-
As at March 31, 2016	29,537,988	295.38
Additions during the year	-	-
As at March 31, 2017	29,537,988	295.38

Terms and rights attached to equity shares

Equity shares have a par value of Rs. 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(ii) Shares held by holding company (Holding company as defined in Ind AS-24 : "Related Party Disclosure")

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares	Amount (Rs. million)	Number of Shares	Amount (Rs. million)	Number of Shares	Amount (Rs. million)
Equity Shares :						
Welspun India Limited	22,744,213	227.44	20,084,998	200.85	20,084,998	200.85
	22,744,213	227.44	20,084,998	200.85	20,084,998	200.85

(iii) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Equity Shares :						
Welspun India Limited (Refer Note (iv))	22,744,213	77.00	20,084,998	68.00	20,084,998	68.00
Welspun Corp Limited	5,833,500	19.75	5,833,500	19.75	5,316,430	18.00
Welspun Steel Limited (Refer Note (iv))	295,469	1.00	2,954,686	10.00	4,136,560	14.00

(iv) Share Transfer Agreement

Pursuant to the Board resolution dated July 26, 2016 passed by Welspun India Limited, Welspun India Limited purchased 2,659,215 Equity Shares of the Company from Welspun Steel Limited. Upon completion of the above transactions on September 23, 2016, Welspun Steel Limited's shareholding equalled to 1% and Welspun India Limited's shareholding equalled to 77%.

In the previous year ended March 31, 2016, pursuant to the Share Purchase Agreement dated October 28, 2015, Welspun Corp Limited purchased 517,070 Equity Shares and 1,723,165 10% Non Cumulative Redeemable Preference Shares of the Company from Welspun Steel Limited.

Further, pursuant to the Share Purchase Agreement dated December 30, 2015, Welspun Wasco Coatings Private Limited purchased 564,804 Equity Shares and 2,215,498 10% Non Cumulative Redeemable Preference Shares of the Company from Welspun Steel Limited.

Upon completion of the above transactions, Welspun Steel Limited's shareholding equalled to 10%, Welspun Corp Limited's shareholding equalled to 19.75%, and Welspun Wasco Coatings Private Limited's shareholding equalled to 2.25% as at March 31, 2016.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	As At March 31, 2017 (Rs. million)	As At March 31, 2016 (Rs. million)	As At April 1, 2015 (Rs. million)
Note 11 (b) : Reserves and surplus			
Debenture Redemption Reserve	99.31	55.00	-
Retained earnings	146.85	(0.26)	(149.76)
Total	246.16	54.74	(149.76)
(i) Debenture Redemption Reserve			
Opening Balance	55.00	-	-
Additions during the year	44.31	55.00	-
Closing Balance	99.31	55.00	-
(ii) Retained earnings			
Opening Balance	(0.26)	(149.76)	-
Net profit for the year	190.92	323.65	-
	190.66	173.89	-
Items of other comprehensive income recognised directly in retained earnings			
Remeasurements of post-employment benefit obligation, net of tax	0.50	(0.64)	-
Dividend on Preference Shares for the year	-	(98.46)	-
Dividend distribution tax on dividend on Preference Shares	-	(20.05)	-
Transfer to debenture redemption reserve	(44.31)	(55.00)	-
Closing Balance	146.85	(0.26)	-

Nature and purpose of reserves within equity

(i) Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

(ii) Retained earnings

Retained earnings represents the Company's cumulative earnings.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	As At March 31, 2017 (Rs. million)	As At March 31, 2016 (Rs. million)	As At April 1, 2015 (Rs. million)
Note 12 : Financial Liabilities			
Note 12 (a) : Non-current borrowings			
Secured :			
Debentures			
9.84% Redeemable Non-Convertible Debentures [Refer Note (a) below]	1,094.23	2,192.53	-
Term Loans			
Rupee Term Loan from Bank [Refer Note (b) below]	-	-	2,588.36
Unsecured :			
Liability component of compound financial instruments (Refer note (c) below)	186.94	167.08	149.34
Total non-current borrowings	1,281.17	2,359.61	2,737.70
Less: Current maturities of long-term debt (included in Note 12 (b))	220.00	220.00	369.54
Less: Interest accrued but not due (included in Note 12 (b))	0.62	1.19	1.56
Non-current borrowings (as per balance sheet)	1,060.55	2,138.42	2,366.60

Notes :

(a) Nature of security and terms of repayment for secured debentures :

On March 30, 2016, the Company issued 2,200 rated, listed, secured, redeemable, Non-Convertible Debentures of Rs. 1,000,000 each aggregating to Rs. 2,200,000,000. The debentures bear an interest at an agreed upon annual rate of 9.84% compounded monthly and payable annually. The debentures are guaranteed by Welspun India Limited. Also, the debentures are secured by way of first charge on immovable properties and hypothecation over the bank accounts, investments and any accruals or profits accumulating as a result of such investments and movable fixed assets of the Company. These Debentures were listed on the Wholesale Debt Market Segment of the National Stock Exchange (NSE) on April 13, 2016.

STRPP Structure and Redemption of Non Convertible Debentures are set out as below:

STRPP	Redemption Date	Amount (Rs. million)
1	At the end of the 1st year from date of allotment i.e. March 30, 2017.	220.00
2	At the end of the 2nd year from date of allotment i.e. March 30, 2018. (shown as Debenture Redeemable within one year under Note 12 (b) "Other financial liabilities")	220.00
3	At the end of the 38th month from date of allotment i.e. May 30, 2019.	880.00
4	At the end of the 5th year from date of allotment i.e. March 30, 2021	880.00

During the year, the Company has done an early redemption of STRPP 4 due on March 30, 2021 after obtaining no objection certificate from SBICAP Trustee Co. Ltd. (Debenture Trustee) and Reliance Nippon Life Asset management Limited (Debenture Holder). The early redemption has also been informed to National Stock Exchange of India Limited.

(b) Nature of security and terms of repayment for secured borrowings (other than debentures) :

Nature of Security	Terms of Repayment
First charge on all present and future immoveable properties and movable fixed assets of the Project. On second charge basis over the book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, intangibles, goodwill, uncalled capital pertaining to the Project.	The Term Loan was originally Re-payable in 32 Quarterly equal instalments commencing from April 30, 2014, Rate of Interest 12.25% - 12.50%. However, the Company has entered into revised terms of repayment wherein the maturity date had been rescheduled to March 31, 2016. The Company had repaid whole amount of loan on March 31, 2016.

The loan was guaranteed by Welspun Corp Limited, Welspun India Limited and Welspun Steel Limited in the following proportion:

Guarantor	As at March 31, 2017 (%)	As at March 31, 2016 (%)	As at April 01, 2015 (%)
Welspun Steel Limited	-	-	50.00
Welspun India Limited	100.00	100.00	30.00
Welspun Corp Limited	-	-	20.00

100% Guarantee has been given by Welspun India Limited w e f October 20, 2015.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(c) 10% Non- Cumulative Redeemable Preference Shares

Preference shares will be redeemable at the expiry of 19 years from the date of allotment or at the option of the Company. The Option may be exercised in full or in part by the Company. The Shares shall neither be converted into Equity Shares of the Company nor shall carry any voting rights in the Company except as provided under section 47 of the Companies Act, 2013 to the extent applicable.

Pursuant to the Board Resolution dated February 29, 2016 and approval of shareholders in an extraordinary general meeting dated March 09, 2016, 99,462,012 6% Non-Cumulative Redeemable Preference Shares were converted into 98,462,012 10% Non-Cumulative Redeemable Preference Shares of Rs. 10 each with effect from April 01, 2015.

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Face Value of 10% Non- Cumulative Redeemable Preference Shares	984.62	984.62	984.62
Equity Component of 10% Non- Cumulative Redeemable Preference Shares [#]	(868.11)	(868.11)	(868.11)
	116.51	116.51	116.51
Unwinding of discount	70.43	50.57	32.83
Non Current Borrowings	186.94	167.08	149.34

[#] The equity component of preference shares has been presented on the face of the balance sheet net of the deferred tax of Rs. 150.75 million.

Note 12 (a) : Current borrowings

Secured :			
- Buyer's credit [Refer Note below]	113.91	-	255.83
- Temporary overdraft from bank	-	-	0.09
Current borrowings	113.91	-	255.92
Less: Interest accrued but not due (included in Note 12 (b))	0.31	-	-
Total current borrowings	113.60	-	255.92

Note :
Buyer's credit from banks are secured by hypothecation of Inventories, book debts and receivables of the Company and second charge on immoveable properties of the Company.

Note 12 (b) : Other financial liabilities

Non-current			
Security Deposits	0.05	-	-
Total other non-current financial liabilities	0.05	-	-
Current			
Current Maturities of Long Term Debt			
- Rupee Term Loans from Banks [Refer Note 12 (a)]	-	-	369.54
- Debentures Redeemable within One Year [Refer Note 12 (a)]	220.00	220.00	-
Interest Accrued but not due on Borrowings	0.31	-	1.56
Interest Accrued but not due on Debentures	0.62	1.19	-
Retention money payable	10.44	10.43	10.35
Security Deposits	-	0.05	-
Derivatives not designated as hedges			
- Foreign-exchange forward contracts	6.27	-	-
Total other current financial liabilities	237.64	231.67	381.45

Note 12 (c) : Trade payables

- Total Outstanding Dues of Micro Enterprises and Small Enterprises [Refer Note below]	-	-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises			
- Trade payables to related parties (Refer Note 27)	4.45	23.52	6.24
- Others	129.66	36.58	61.12
Total	134.11	60.10	67.36

Note : There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2017. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	As At March 31, 2017 (Rs. million)	As At March 31, 2016 (Rs. million)	As At April 1, 2015 (Rs. million)
Note 13 : Employee benefit obligations			
Non-current			
Leave Obligation (Refer note 18)	2.83	2.13	1.80
Total non-current employee benefit obligations	2.83	2.13	1.80
Current			
Leave Obligation (Refer note 18)	0.32	0.27	0.23
Gratuity (Refer note 18)	0.10	-	-
Other Payables *	0.29	0.32	0.34
Total current employee benefit obligations	0.71	0.59	0.57

* Includes salary, wages, bonus and leave travel allowance.

Note 14 : Other current liabilities

Statutory dues (including Provident Fund and Tax deducted at Source)	3.68	5.05	4.44
Advance from customers - Related Party	403.39	-	-
Advance from customers	0.25	0.09	0.08
Total	407.32	5.14	4.52



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	<u>Year ended March 31, 2017 (Rs. million)</u>	<u>Year ended March 31, 2016 (Rs. million)</u>
Note 15 : Revenue from operations		
Sale of Products		
Sale of Power	1,513.96	2,449.98
Sale of Steam	416.63	345.76
	<u>1,930.59</u>	<u>2,795.74</u>
Other operating revenue		
Sale of Coal	155.08	65.36
Sale of Fly Ash	0.73	1.18
Sale of Scrap	1.77	0.81
	<u>157.58</u>	<u>67.35</u>
Total revenue from operations	<u><u>2,088.17</u></u>	<u><u>2,863.09</u></u>

Note 16 : Other income

(a) Other income

Interest Income from financial assets measured at amortised cost -on fixed deposits	3.08	1.37
Interest Income from financial assets measured at fair value through profit or loss -on bonds	20.63	2.46
Interest on income tax refund	-	0.01
Dividend income from investments measured at fair value through profit or loss -on mutual funds	-	0.24
Net gain on sale of financial assets measured at fair value through profit or loss -on bonds and mutual funds	27.36	14.30
Exchange Gain (Net)	16.73	0.09
Miscellaneous income	0.01	0.00
Total other income	<u><u>67.81</u></u>	<u><u>18.47</u></u>

Note 17 : Cost of materials consumed

Raw materials at the beginning of the year	59.73	80.80
Add: Purchases (net)	1,083.58	1,260.98
Less: Raw materials at the end of the year	101.10	59.73
Total cost of materials consumed	<u><u>1,042.21</u></u>	<u><u>1,282.05</u></u>



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	Year ended March 31, 2017 (Rs. million)	Year ended March 31, 2016 (Rs. million)
Note 18 : Employee benefits expense		
Salaries, Wages, Allowances and Other Benefits	72.63	58.51
Contribution to Provident and Other Funds	3.57	3.12
Staff and Labour Welfare	2.30	1.17
Total	78.50	62.80

The Company has classified the various benefits provided to employees as under :-

I Defined Contribution Plans

	Year ended March 31, 2017	(Rs. million) Year ended March 31, 2016
During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:		
- Employers' Contribution to Provident Fund*	3.16	2.84
- Employers' Contribution to Employees' Pension Scheme*	0.19	0.13
- Employers' Contribution to Superannuation Scheme*	0.22	0.15
	3.57	3.12

II Defined Benefit Plan

Contribution to Gratuity Fund (Funded Defined Benefit Plan)

The Company operates a gratuity plan through the "Welspun Captive Power Generation Limited Employees Gratuity Trust". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

Risk exposure

These defined benefit plans expose the Company to actuarial risk such as longevity risks, interest rate risks, market (investment) risks.

a. Major Assumptions

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	% p.a.	% p.a.	% p.a.
Discount Rate	7.20	7.86	7.92
Salary Escalation Rate ^(a)	7.50% p.a. for the next 2 years, 8.50% for the next 3 years, 5% p.a. thereafter, starting from the 6th year.	8.00% p.a. for the next 5 years, 6.00% p.a. thereafter, starting from the 6th year.	8.00% p.a. for the next 5 years, 6.00% p.a. thereafter, starting from the 6th year.
Rate of Employee Turnover	For service 2 years and below 8% p.a., for service 3 years to 4 years 5% p.a., for service 5 years and above 3%	For ages 44 years and below 5% p.a., for ages 45 years and above 3% p.a.	For ages 44 years and below 5% p.a., for ages 45 years and above 3% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

^(a) The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

b. Change in the Present Value of Obligation

	As at March 31, 2017	(Rs. million) As at March 31, 2016
Opening Present Value of Obligation	5.72	4.29
Current Service Cost	0.91	0.76
Interest Cost	0.45	0.34
Total amount recognised in profit or loss	1.36	1.10
Remeasurements		
(Gain)/loss from change in demographic assumptions	(0.18)	-
(Gain)/loss from change in financial assumptions	(0.29)	0.03
Experience (gain)/losses	(0.10)	0.90
Total amount recognised in other comprehensive income	(0.57)	0.93
Benefit paid	(0.19)	(0.60)
Closing Present Value of Obligation	6.32	5.72



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

c. Change in Fair Value of Plan Assets	(Rs. million)	
	As at March 31, 2017	As at March 31, 2016
Opening Fair Value of Plan Assets	5.77	4.65
Interest Income	0.45	0.37
Total amount recognised in profit or loss	0.45	0.37
Remeasurements		
Return on Plan Assets, excluding interest income	0.19	(0.04)
Actuarial gain / (Loss) on Obligations	-	-
Total amount recognised in other comprehensive income	0.19	(0.04)
Contributions	-	1.23
Benefits paid	(0.19)	(0.44)
Closing Fair Value of Plan Assets	6.22	5.77

d Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets	(Rs. million)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Present Value of Funded Obligation	(6.32)	(5.72)	(4.29)
Fair Value of Plan Assets	6.22	5.77	4.65
Funded Status (Surplus/ (Deficit))	(0.10)	0.05	0.36

e. Amount recognised in the Balance sheet	(Rs. million)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Present value of Obligation	(6.32)	(5.72)	(4.29)
Fair Value of Plan Assets	6.22	5.77	4.65
Amount not recognised as an asset	-	0.05	0.36
Amount recognised as liability	(0.10)	-	-

f. Expenses Recognised in the Statement of Profit and Loss	(Rs. million)	
	Year ended March 31, 2017	Year ended March 31, 2016
Current Service Cost	0.91	0.76
Net Interest Cost	(0.00)	(0.03)
Total Expenses recognized in the statement of profit and loss*	0.91	0.73

* Included in Employee Benefits Expense

g. Expenses recognized in the Other Comprehensive Income	(Rs. million)	
	Year ended March 31, 2017	Year ended March 31, 2016
Re-measurement		
Return on Plan Assets	(0.19)	0.04
Net Actuarial Loss/(gain) recognised in the year	(0.57)	0.93
Net (Income)/Expenses for the Period Recognised In OCI	(0.76)	0.97

h. Sensitivity analysis:

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in Assumptions	(Rs. million)	
		Increase/(decrease) in defined benefit obligations	
		March 31, 2017	March 31, 2016
Discount Rate	Increase by 1%	(0.67)	(0.53)
Discount Rate	Decrease by 1%	0.80	0.62
Salary Increase	Increase by 1%	0.81	0.62
Salary Increase	Decrease by 1%	(0.69)	(0.54)
Employee Turnover	Increase by 1%	0.16	0.07
Employee Turnover	Decrease by 1%	(0.18)	(0.09)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

i. The major categories of plans assets are as follows:

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Quoted (Rs. million)	%	Quoted (Rs. million)	%	Quoted (Rs. million)	%
Insurer Managed funds	6.23	100.00	5.77	100.00	4.65	100.00



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

j. Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending 31 March 2018 are Rs. 1.06 million.

The weighted average duration of the defined benefit obligation is 13 years (2016 - 12 years, 2015 - 12 years). The expected maturity analysis of undiscounted pension is as follows:

Particulars	(Rs. million)				
	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
March 31, 2017					
Defined benefit obligation	0.27	0.27	0.85	2.44	3.83
Total	0.27	0.27	0.85	2.44	3.83
March 31, 2016					
Defined benefit obligation	0.30	0.34	1.08	2.59	4.31
Total	0.30	0.34	1.08	2.59	4.31
April 1, 2015					
Defined benefit obligation	0.21	0.25	0.83	1.99	3.28
Total	0.21	0.25	0.83	1.99	3.28

h. Expected Contribution to the funds in the next year

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Gratuity	1.06	0.86	0.41

iii Other Employee Benefit

The liability for compensated absences as at year end is Rs. 3.15 million (March 31, 2016: Rs. 2.40 million)



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

	Year ended March 31, 2017	Year ended March 31, 2016
	(Rs. million)	(Rs. million)
Note 19 : Depreciation and amortization expense		
Depreciation property, plant and equipment	351.42	416.26
Amortisation on intangible assets	0.10	0.10
Total depreciation and amortization expense	351.52	416.36

Note 20 : Other Expenses

Stores and Spares Consumed	40.91	54.82
Contract Labour Charges	15.77	15.27
Water Expenses	23.93	21.70
Repairs and Maintenance:		
Plant and Machinery	18.04	9.17
Others	6.07	5.90
Material Handling and Transport Charges	21.31	26.56
Commission on Corporate Gurantee	10.11	20.35
Transmission and Power Expenses	146.06	91.15
Directors' Sitting Fees	0.28	0.33
Rent	0.91	0.53
Travelling and Conveyance	2.31	1.94
Legal and Professional Charges	3.39	3.21
Security Expenses	2.27	2.47
Insurance	8.80	8.15
Communication	0.21	0.20
Payments to auditors (Refer note 20 (a))	2.30	1.14
Corporate Social Responsibility Expenses (Refer note 20 (b))	0.08	-
Loss on foreign exchange forward contract	6.27	-
Miscellaneous	5.88	3.77
Total Other Expenses	314.90	266.66

Note 20 (a) : Details of Payments to auditors

Payments to auditors

As auditor:

Audit fee	1.30	0.90
Tax audit fee	0.13	0.13

In Other capacities

Certification fees	0.09	0.09
Other services	0.75	-
Re-imbusement of expenses	0.03	0.02
Total payments to auditors	2.30	1.14

Note 20 (b) : Corporate Social Responsibility Expenses

Contribution to Charity Foundation	0.08	-
Total	0.08	-

Amount required to be spent as per section 135 of the act.

Amount spent during the year on

(i) Construction/ acquisition of an asset	-	-
(ii) on purpose other than (i) above	0.08	-
	0.08	-

Note 21 : Finance costs

Interest and finance charges on financial liabilities not at fair value through profit or loss

- on Short Term borrowings	2.40	0.05
- on Long Term borrowings	232.35	270.82
- unwinding of discount on debt component of preference shares	19.85	17.74
Other Borrowing Costs	21.68	6.30
Discounting and Bank Charges	3.22	4.86
Interest on shortfall of advance tax	-	0.37
Total Finance cost	279.50	300.14



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 22 : Income tax expense

(Rs. million)

	March 31, 2017	March 31, 2016
(a) Income tax expense		
<i>Current Tax</i>		
Current Tax on profits for the year	62.23	105.94
Total current tax expense	62.23	105.94
<i>Deferred Tax</i>		
Decrease in deferred tax assets (Refer Note 6)	38.68	58.27
Total deferred tax expense/(benefit)	38.68	58.27
Income tax expense	100.91	164.21

(b) Reconciliation of tax expense and the accounting profit multiplied by india's tax rate

(Rs. million)

	March 31, 2017	March 31, 2016
Profit from continuing operations before income tax expense	291.57	488.19
Tax at the indian tax rate @ 34.61%	100.91	168.95
Tax effect of amounts which are not deductible (taxable) in calculating		
Corporate social responsibility expenditure	0.01	-
80 IA Benefit Originated and Reverse during 80IA period	-	(1.81)
Impact due to Change in Tax	-	(2.79)
Other Items	(0.01)	(0.15)
Income Tax Expenses	100.91	164.21



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 23 : Fair value measurements

Financial instruments by category

	March 31, 2017			March 31, 2016			April 1, 2015		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Investments									
- Bonds and debentures	-	-	-	-	-	-	49.17	-	-
- Mutual funds	25.00	-	-	-	-	-	-	-	-
Trade receivables	-	-	0.14	-	-	346.03	-	-	270.08
Cash and cash equivalents	-	-	64.80	-	-	199.10	-	-	212.04
Bank Balances other than above	-	-	37.73	-	-	6.86	-	-	9.39
Insurance Claim Receivable	-	-	479.13	-	-	-	-	-	-
Other financial assets	-	-	2.38	-	-	5.59	-	-	1.75
Total financial assets	25.00		584.18			559.58	49.17		493.26
Borrowings			1,395.08			2,359.61			2,993.62
Security Deposits	-	-	0.05	-	-	0.05	-	-	-
Derivatives not designated as hedges:									
-Foreign exchange forward contracts	6.27	-	-	-	-	-	-	-	-
Trade payables	-	-	134.11	-	-	60.10	-	-	67.36
Retention money payable	-	-	10.44	-	-	10.43	-	-	10.35
Total financial liabilities	6.27		1,539.68			2,430.19			3,071.33

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2017					
Financial assets					
Mutual funds	5 (b)	25.00	-	-	25.00
Total financial assets		25.00			25.00
Financial liabilities					
Derivatives not designated as hedges:					
-Foreign exchange forward contracts	12 (b)	-	6.27	-	6.27
Total financial liabilities			6.27		6.27

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2017					
Financial assets					
Fixed deposits with Banks with maturity period more than twelve months	5 (a)	-	1.40	-	1.40
Total financial assets			1.40		1.40
Financial Liabilities					
Security Deposits	12 (b)	-	-	0.05	0.05
9.84% Redeemable Non-Convertible Debentures	12 (a)	1,119.54	-	-	-
Liability component of compound financial instruments	12 (a)	-	-	248.22	-
Total financial liabilities		1,119.54		248.27	0.05



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
At March 31, 2016					
Financial assets					
Fixed deposits with Banks with maturity period more than twelve months	5 (a)	-	5.40	-	5.40
Total financial assets		-	5.40	-	5.40
Financial Liabilities					
9.84% Redeemable Non-Convertible Debentures	12 (a)	-	2,200.00	-	2,200.00
Liability component of compound financial instruments	12 (a)	-	-	259.51	259.51
Security deposits		-	-	0.05	0.05
Total financial liabilities		-	2,200.00	259.56	2,459.56

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
At April 1, 2015					
Financial assets					
Listed corporate bonds	5 (b)	49.17	-	-	49.17
Total financial assets		49.17	-	-	49.17
Financial liabilities					
Total financial liabilities		-	-	-	-

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
At April 1, 2015					
Financial assets					
Fixed deposits with Banks with maturity period more than twelve months	5 (a)	-	1.24	-	1.24
Total financial assets		-	1.24	-	1.24
Financial Liabilities					
Rupee Term Loan from Bank	12 (a)	-	2,218.82	-	2,218.82
Liability component of compound financial instruments	12 (a)	-	-	277.33	277.33
Total financial liabilities		-	2,218.82	277.33	2,496.15

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, exchange traded funds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing Net Assets Value (NAV). NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

Level 2: The fair value of financial instruments that are not traded in an active market (such as traded bonds, debentures, government securities and commercial papers) is determined using Fixed Income Money Market and Derivatives Association of India (FIMMDA) inputs and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

There has been transfers between levels 1 and 2 during the year as the Company has its 9.84% redeemable non-convertible debentures listed on Wholesale Debt Market of National Stock Exchange w.e.f April 13, 2016.

ii) Valuation technique used to determine fair value :

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2.

iii) Valuation processes :

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO).

iv) Fair value of Financial assets and liabilities measured at amortised cost

	March 31, 2017		March 31, 2016		April 01, 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Fixed deposits with Banks with maturity period more than twelve months	1.40	1.40	5.40	5.40	1.24	1.24
Total	1.40	1.40	5.40	5.40	1.24	1.24
Financial liabilities						
9.84% Redeemable Non-Convertible Debentures	1,094.23	1,118.54	2,192.53	2,200.00	-	-
Rupee Term Loan from Bank	-	-	-	-	2,218.82	2,218.82
Liability component of compound financial instruments	186.94	248.22	167.08	259.51	149.34	277.33
Security Deposits	0.05	0.05	0.05	0.05	-	-
Total	1,281.22	1,366.81	2,359.66	2,459.56	2,368.16	2,496.15

The carrying amount of trade receivable, other current financial assets, trade payable, current borrowings (including interest accrued on borrowings), cash and cash equivalents and other bank balances are considered to be the same as their value, due to their short-term nature.

The fair value for liability component of compound financial instruments are based on discounted cash flow using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



Note 24 : Financial Risk Management

The Company activities are exposed to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables	Aging analysis Credit ratings	Diversification of bank deposits, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Future commercial transactions Recognised financial liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk – security prices	Investments in Bonds	Sensitivity analysis	Portfolio diversification

The Company's risk management is carried out by a central treasury department under policies approved by the Board of Directors. Company's treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

(i) Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved periodically.

(All amounts in Rs millions, unless otherwise stated)

Ageing of Trade receivables is as follows

	Not due	0 - 30 days past dues	31 - 60 days past dues	61 - 90 days past dues	91 - 120 days past dues	121 - 180 days past dues	Beyond 181 days past dues	TOTAL
As at March 31, 2017	0.04	0.10	0.01	-	-	-	-	0.15
As at March 31, 2016	162.98	182.37	0.05	-	-	0.64	-	346.04
As at April 01, 2015	269.45	0.34	0.20	0.07	0.01	-	0.01	270.08

During the year and previous years, the Company made no write-offs of trade receivables.

(B) Liquidity Risk

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	(Rs. Million)		
	March 31, 2017	March 31, 2016	April 01, 2015
Expiring within one year (cash credit, bank overdraft and other facilities)	536.40	1,000.00	744.07
Expiring beyond one year (bank loans)	-	-	-
TOTAL	536.40	1,000.00	744.07

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

(ii) Maturities of Financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- > all non derivative financial liabilities, and
- > net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2017

Contractual maturities of financial liabilities	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Non-derivatives							
Borrowings	147.33	33.65	286.69	1,106.97	104.84	801.59	2,461.07
Trade payables	134.10	-	-	-	-	-	134.10
Other financial liabilities	10.44	-	-	-	-	-	10.44
Total non-derivative liabilities	291.87	33.65	286.69	1,106.97	104.84	801.59	2,625.61
Derivatives (net settled)							
Foreign exchange forward contracts	6.27	-	-	-	-	-	6.27
Total derivative liabilities	6.27	-	-	-	-	-	6.27



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

As at March 31, 2016

Contractual maturities of financial liabilities	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Non-derivatives							
Borrowings	61.27	61.27	341.29	650.74	2,116.62	1,642.41	4,873.60
Trade payables	60.10	-	-	-	-	-	60.10
Other financial liabilities	10.48	-	-	-	-	-	10.48
Total non-derivative liabilities	131.85	61.27	341.29	650.74	2,116.62	1,642.41	4,944.18
Derivatives (net settled)							
Foreign exchange forward contracts	-	-	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-	-	-

As at April 01, 2015

Contractual maturities of financial liabilities	Less than 3 Months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Beyond 5 years	Total
Non-derivatives							
Borrowings	431.49	172.80	335.41	1,242.90	1,539.08	1,236.95	4,958.63
Trade payables	67.36	-	-	-	-	-	67.36
Other financial liabilities	10.35	-	-	-	-	-	10.35
Total non-derivative liabilities	509.20	172.80	335.41	1,242.90	1,539.08	1,236.95	5,036.34
Derivatives (net settled)							
Foreign exchange forward contracts	-	-	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-	-	-

C. Market risk

(i) Foreign currency risk

The Company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy and procedures.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period in India Rupees millions are as follows

As at	March 31, 2017	March 31, 2016	April 01, 2015
	USD	USD	USD
Financial Assets	-	-	-
Net exposure to foreign currency risk (assets)	-	-	-
Financial Liabilities			
Borrowings	113.91	-	255.83
Trade payables	19.79	2.63	6.56
Derivative contracts Forward	(120.52)	-	-
Net exposure to foreign currency risk (liabilities)	13.17	2.63	264.39

(b) Foreign currency sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments arises from foreign forward exchange contracts

	Impact on profit after tax	
	March 31, 2017	March 31, 2016
USD sensitivity		
INR/USD - Increase by 4% (March 31, 2016 - 4%)*	-0.53	-0.11
INR/USD - Decrease by 4% (March 31, 2016 - 4%)*	0.53	0.11

* Holding all other variables constant

Sensitivity analysis is carried out based on average exchange rate movement of last 3 years.

(iii) Cash flow and fair value interest rate risk

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like non-convertible bonds and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Fixed rate borrowings	1,395.00	2,359.61	2,933.62
Variable rate borrowings	-	-	-
Total borrowings	1,395.00	2,359.61	2,933.62

Sensitivity

The Company does not have floating interest rate borrowing hence sensitivity analysis is not applicable.

(iii) Price risk

(a) Exposure

The Company is mainly exposed to the price risk due to its investment in mutual funds and bonds. The price risk arises due to uncertainties about the future market values of these investments. In order to manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The exposure of the Company's investments at the end of the reporting period are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Investment in Mutual Funds	25.00	-	-
Investment in Bonds and G-Sec	-	-	49.17
Total borrowings	25.00	-	49.17

(b) Sensitivity

The table below summarises the impact of increases/decreases of 0.75% increase in price of Mutual Fund / Bond.

	Impact on profit before tax	
	March 31, 2017	March 31, 2016
Increase in price 0.75% (March 31, 2016 - 0.75%)*	0.19	-
Decrease in price 0.75% (March 31, 2016 - 0.75%)*	(0.19)	-

* Holding all other variables constant

Sensitivity analysis is carried out based on average price movement of last 3 years and its trend.

As at the Balance Sheet date, the foreign currency exposure not hedged by a derivative instrument or otherwise aggregates Rs. 19.78 million (March 31, 2016: Rs. 2.63 million, April 01, 2015: 8.56 million) for payables and Nil (March 31, 2016: Nil, April 01, 2015: Rs. 255.83 million) for acceptances.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 25 : Capital Management

(a) Risk management

- The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

- The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

- The funding requirements are met through a mixture of equity, internal fund generation and other long term borrowings. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

- The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements.

Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments.

The Company's strategy is to maintain a gearing ratio within 2:1. The gearing ratios were as follows:

The following table summarizes the capital of the Company:

		(Rs. millions)		
	Notes	31 March 2017	31 March 2016	01 April 2015
Long term borrowings	12 (a)	1,060.55	2,138.42	2,366.60
Current maturities of long term debt and finance lease obligations	12 (b)	220.00	220.00	369.54
Short term borrowings	12 (a)	113.60	-	255.92
Less: cash and cash equivalent	5 (d)	(64.80)	(199.10)	(212.04)
Net debt		1,329.35	2,159.32	2,780.02
Total equity	11 (a), 11 (b), 12 (a)	1,258.90	1,067.48	862.98
Net debt to equity ratio		1.06	2.02	3.22

(i) Loan covenants

Under the terms as mentioned in the debenture offer agreement, the Company is required to comply with the following financial covenants:

- the net debt to net worth ratio must not be greater than 2.5 times
- the net debt to EBITDA ratio must not be greater than 3.0 times

The Company has complied with these covenants throughout the reporting period. As at 31 March 2017:

- Net debt to net worth ratio - 1.01 times
- Net debt to EBITDA - 2.55 times

The ratios are calculated as per following formulae:

Net debt to net worth ratio (No of times)	Net Debt / (Cash and cash equivalents + Fixed Deposits + Investments)
Net debt to EBITDA (No of times)	Net Debt / (Profit Before Tax - Exceptional Item - Other Income + Finance Costs + Depreciation)

(b) Dividends

		(Rs. millions)	
Particulars	Notes	31 March 2017	31 March 2016
10% Non- Cumulative Redeemable Preference Shares			
Interim dividend for the year ended March 31, 2016	11 (b)	-	98.46



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 26 : Segment Information

(i) Information about Primary Business Segment

The Company is exclusively engaged in the business of generation and sale of Power and Steam, which, in the context of Accounting Standard 108 on Segment Reporting is considered to constitute a single primary segment. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year are all as reflected in the financial statements for the year ended March 31, 2017 and as on that date.

(ii) Information about Secondary Geographical Segments:

The Company is exclusively engaged in sales to customers located in India. Consequently the Company does not have separate reportable geographical segments for March 2017.

Note 27 : Related party transactions

(i) Names of related parties and nature of relationship:

(a)

Enterprise where control exists

Holding Company	Welspun India Limited
Ultimate Holding Company*	Krishiraj Trading Limited (up to September 27, 2016) MGN Agro Properties Private Limited (with effect from September 28, 2016 and up to March 29, 2017) Prasert Multiventure Private Limited (with effect from March 30, 2017)

(b) Other Related Parties with whom transactions have taken place during the year:

Enterprises over which Key Management Personnel or relatives of such personnel exercise significant influence or control and with whom transactions have taken place during the year

Welspun Steel Limited
Western Trade Links



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

27 (c) Following are the transactions and the year-end balances with related parties
The following transactions occurred with related parties:

Particulars	(Rs. Million)							
	Welspun India Limited		Welspun Steel Limited		Welspun Trade Links		Key Management Personnel	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Statement of profit and loss heads								
Gross revenue from sale of power, steam and coal *	1,736.51	2,506.88	42.55	16.74	-	-	-	-
Purchase of goods and expenses incurred	0.18	0.23	34.25	55.12	25.40	23.45	-	-
Purchase of capital goods	-	-	-	0.16	-	-	-	-
Water Expense	23.86	21.64	-	-	-	-	-	-
Reimbursement Of Expenses incurred on behalf of the Company	-	-	-	0.28	-	-	-	-
Corporate Guarantee Commission	10.11	12.50	-	5.60	-	-	-	-
Rent paid	0.04	-	-	-	-	-	-	-
Dividend paid	-	66.96	-	9.85	-	-	-	-
Director's sitting fees	-	-	-	-	-	-	0.28	0.33

* Amount is inclusive of taxes

(b) Outstanding balances arising from sale/purchases of goods and services

Particulars	(Rs. Million)								
	Welspun India Limited			Welspun Steel Limited			Welspun Trade Links		
	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015	March 31, 2017	March 31, 2016	April 1, 2015
Balance sheet heads (Closing balances):									
Trade payables, Advances received and other liabilities for receiving of services on revenue	403.39	7.25	1.57	-	12.49	4.67	4.45	3.78	-
Trade Receivables, Advance given and other receivables for rendering services	-	343.35	230.86	-	-	-	-	-	-
Corporate Guarantee given on behalf of the Company	2,200.00	2,200.00	900.00	-	-	1,500.00	-	-	-

(d) Terms and conditions

- (i) All transactions with these related parties are priced on an arm's length basis and resulting outstanding balances are to be settled in cash. None of the balances are secured.
- (ii) There was no managerial remuneration paid to CFO in the current and prior financial years as the key management personnel having the authority and are responsible for planning, directing and controlling the Company are employed by the Welspun India Limited (Holding Company). The Company does not reimburse Welspun India Limited for services rendered by key managerial personnel.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 28 : Contingent liabilities

The Company had contingent liabilities as at March 31, 2017 in respect of:

Description	As at March 31, 2017 Rs. Million	As at March 31, 2016 Rs. Million	As at March 31, 2015 Rs. Million
Letter of Credit issued by Bank	38.31	21.30	5.76
Bank Guarantees	23.54	84.58	92.05
	61.85	105.88	97.81

Note 29 : Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Description	As at March 31, 2017 Rs. Million	As at March 31, 2016 Rs. Million	As at March 31, 2015 Rs. Million
Estimated value of Contracts in Capital Account remaining to be executed (Net of Capital Advances)	-	-	6.07

(b) Non-cancellable operating leases

Where the Company is a lessee:

Operating Lease

The Company has taken equipments under operating lease where agreements are renewable on a periodic basis at the option of both the lessor and the lessee. The initial tenure of the lease is generally of three years.
The aggregate rental expenses of all the operating leases for the year are Rs. 0.91 million (Previous Year: Rs. 0.53 million).

Note 30 : Value of Import, calculated on CIF basis

Description	Year Ended March 31, 2017 Rs. Million	Year Ended March 31, 2016 Rs. Million
Raw Materials	657.03	1,034.08
	657.03	1,034.08



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Note 31 : Details of Consumption and Purchases

(a) Details of Raw Materials consumed

Description	Year Ended March 31, 2017	Year Ended March 31, 2016
	Rs. Million	Rs. Million
Coal	1,042.21	1,282.05
	1,042.21	1,282.05

(b) Value of Imported and Indigenous Raw Materials and Stores, Spare Parts Consumed and Percentage

(i) Raw Materials

Description	Year Ended March 31, 2017		Year Ended March 31, 2016	
	%	Rs. Million	%	Rs. Million
Imported	97%	1,009.71	97%	1,238.39
Indigenous	3%	32.50	3%	43.66
	100%	1,042.21	100%	1,282.05

(ii) Traded goods

Description	Year Ended March 31, 2017		Year Ended March 31, 2016	
	%	Rs. Million	%	Rs. Million
Imported	100%	155.11	100%	65.36
	100%	155.11		65.36

(iii) Stores and Spares Consumed

Description	Year Ended March 31, 2017		Year Ended March 31, 2016	
	%	Rs. Million	%	Rs. Million
Imported	0%	0.03	0%	0.19
Indigenous	100%	40.88	100%	54.63
	100%	40.91	100%	54.82

Note 32 : Earning per share

	March 31, 2017	March 31, 2016
	(Rs. million)	(Rs. million)
Basic and diluted earnings per share		
Earnings per share attributable to the equity holders of the Company	6.48	10.93
Profit for the year (Rs. In million)	191.42	323.01
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (Number of shares)	29,537,988	29,537,988



Note 33 : First time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 1, 2015. In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A1.1. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.2 Ind AS mandatory exceptions

A2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except where estimates were required by Ind AS and not required by Previous GAAP.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires reconciliations of its equity reported in accordance with previous GAAP to its equity in accordance with Ind AS and a reconciliation to its total comprehensive income in accordance with Ind AS for the latest period in the entity's most recent annual financial statements.

The Company has chosen to provide reconciliation of amount reported in accordance with previous GAAP to amount reported under Ind AS for each line item of balance sheet and statement of profit and loss as an additional disclosure.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Reconciliation of equity as at date of transition (April 1, 2016)

	Notes to first time adoption	Previous GAAP	Adjustments	(Rs. million) Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		3,013.49	-	3,013.49
Capital work-in-progress		30.55	-	30.55
Intangible assets		0.48	-	0.48
Financial assets				
- Other financial assets		1.24	-	1.24
Deferred tax assets (Net)	6	352.33	(139.40)	212.93
Other non-current assets		0.22	-	0.22
Total non-current assets		3,398.31	(139.40)	3,258.91
Current assets				
Inventories		105.95	-	105.95
Financial assets				
(i) Investments		49.17	-	49.17
(ii) Trade Receivables		270.00	-	270.00
(iii) Cash and Cash Equivalents		212.04	-	212.04
(iv) Bank balances other than (iii) above		9.39	-	9.39
(v) Other financial assets		0.51	-	0.51
Other current assets ⁴		37.89	-	37.89
Total current assets		665.03	-	665.03
Total assets		4,063.34	(139.40)	3,943.94
EQUITY AND LIABILITIES				
Equity				
Equity share capital		295.38	-	295.38
Equity component of compound financial instruments	5	984.62	(267.26)	717.36
Reserves and surplus	7	(128.29)	(21.47)	(149.76)
Total equity		1,151.71	(288.73)	862.98
Liabilities				
Non-current liabilities				
Financial liabilities				
- Borrowings	3	2,217.27	149.33	2,366.60
Employee benefit obligations		1.80	-	1.80
Total non-current liabilities		2,219.07	149.33	2,368.40
Current liabilities				
Financial liabilities				
- Borrowings		255.92	-	255.92
- Trade payables		-	-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		67.36	-	67.36
- Other financial liabilities		381.45	-	381.45
Employee benefit obligations		0.57	-	0.57
Current tax liabilities		2.74	-	2.74
Other current liabilities		4.52	-	4.52
Total current liabilities		712.56	-	712.56
Total equity and liabilities		4,063.34	(139.40)	3,943.94

⁴ The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Reconciliation of equity as at March 31, 2016

	Notes to first time adoption	Previous GAAP	Adjustments	(Rs. million) Ind AS
ASSETS				
Non-current assets				
Properly, plant and equipment		2,640.17	-	2,640.17
Capital work-in-progress		0.48	-	0.48
Intangible assets		0.38	-	0.38
Financial assets				
- Other financial assets		5.40	-	5.40
Deferred tax assets (Net)	6	290.91	(136.25)	154.66
Other non-current assets		0.03	-	0.03
Total non-current assets		2,937.37	(136.25)	2,801.12
Current assets				
Inventories		102.72	-	102.72
Financial assets				
- Trade Receivables		346.03	-	346.03
- Cash and Cash Equivalents		199.10	-	199.10
- Bank balances other than above		8.66	-	8.66
- Other financial assets		0.19	-	0.19
Current tax assets		0.86	-	0.86
Other current assets		46.63	-	46.63
Total current assets		704.41	-	704.41
Total assets		3,641.78	(136.25)	3,505.53
EQUITY AND LIABILITIES				
Equity				
Equity share capital		295.38	-	295.38
Equity component of compound financial instruments	5	984.62	(267.26)	717.36
Reserves and surplus	7	82.15	(27.41)	54.74
Total equity		1,362.15	(294.67)	1,067.48
Liabilities				
Non-current liabilities				
Financial liabilities				
- Borrowings	3, 5	1,980.00	158.42	2,138.42
Employee benefit obligations		2.13	-	2.13
Total non-current liabilities		1,982.13	158.42	2,140.55
Current liabilities				
Financial liabilities				
- Borrowings		-	-	-
- Trade payables		-	-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-	-
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		60.10	-	60.10
- Other financial liabilities	3	231.67	-	231.67
Employee benefit obligations		0.59	-	0.59
Other current liabilities		5.14	-	5.14
Total current liabilities		297.50	-	297.50
Total equity and liabilities		3,641.78	(136.25)	3,505.53

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Reconciliation of total comprehensive income for year ended March 31, 2016

	Notes to first time adoption	Previous GAAP	Adjustments	Ind AS
(Rs. million)				
Revenue from operations		2,863.09	-	2,863.09
Other Income		18.47	-	18.47
Total revenue		2,881.56	-	2,881.56
Expenses				
Cost of materials consumed		1,282.05	-	1,282.05
Purchases of stock-in-trade		65.36	-	65.36
Employee benefits expense	4	83.77	(0.97)	62.80
Depreciation and amortization expense		416.36	-	416.36
Other expenses	3	275.31	(8.65)	266.66
Finance costs	5	282.40	17.74	300.14
Total expenses		2,386.26	8.12	2,393.37
Profit before tax		496.31	(8.12)	488.19
Income Tax Expense				
- Current Tax		-	-	-
- Deferred Tax	6	167.35	(2.81)	164.54
Total Income Tax Expense		167.35	(2.81)	164.54
Profit for the year		328.96	(5.31)	323.65
Other Comprehensive Income				
Remeasurements of post-employment benefit obligations	4	-	(0.97)	(0.97)
Income tax relating to this item	6	-	0.33	0.33
Total Comprehensive Income		328.96	(5.95)	323.01

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Reconciliation of total equity as at March 31, 2016 and April 1, 2015

	Notes to first time adoption	March 31, 2016	April 1, 2015
(Rs. million)			
Total equity (shareholder's funds) as per previous GAAP		1,362.15	1,151.71
Adjustments:			
Liability component of compound financial instruments	5	(116.51)	(116.51)
Deferred Tax effect on Equity Component of compound financial instruments	6	(150.75)	(150.75)
Effect of measuring preference shares at amortised costs	5	(50.57)	(32.83)
Effect of accounting of transaction costs on borrowings as per Effective Interest Rate (EIR) method	3	8.65	-
Tax effects of adjustments	6	14.51	11.36
Total adjustments		(294.87)	(288.73)
Total equity as per Ind AS		1,067.28	862.98



WELSPUN CAPTIVE POWER GENERATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Reconciliation of total comprehensive income for the year ended March 31, 2016		(Rs. million)	
	Notes to first time adoption	March 31, 2016	
Profit after tax as per previous GAAP		328.96	
Adjustments:			
Effect of accounting of transaction costs on borrowings as per Effective Interest Rate (EIR) method	3	8.65	
Effect of measuring preference shares at amortised costs	5	(17.74)	
Others	4	0.97	
Deferred Tax impact on Ind AS adjustments	6	2.81	
Total adjustments		(5.31)	
Profit after tax as per Ind AS		323.65	
Other comprehensive income (net of tax)		(0.64)	
Total comprehensive income as per Ind AS		323.01	

Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2016		(Rs. million)	
	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	979.33	8.75	988.08
Net cash flow from investing activities	51.84	-	51.84
Net cash flow from financing activities	(1,043.91)	(9.75)	(1,052.66)
Net increase/(decrease) in cash and cash equivalents	(12.94)	-	(12.94)
Cash and cash equivalents as at April 1, 2015	212.04	-	212.04
Cash and cash equivalents as at March 31, 2016	199.10	-	199.10

C: Notes to first-time adoption:

Note 3 : Borrowings:

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred or capitalised if incurred before the capitalisation date in case of specific borrowings. Accordingly, borrowings as at March 31, 2016 have been reduced by INR 5.66 million (net of tax) with a corresponding adjustment to retained earnings. The total equity increased by an equivalent amount.

Note 4 : Remeasurements of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 decreased by Rs. 0.64 million (net of tax). There is no impact on the total equity as at March 31, 2016.

Note 5 : Compound Financial Instruments

Under previous GAAP, redeemable preference shares were classified as part of total equity. Dividends paid on these preference shares were adjusted against retained earnings and not recognised as finance cost in profit or loss. However, under Ind AS, the preference shares issued are classified as compound instrument as it contains discretionary dividend/ off market interest rate and are split into separate equity and liability components. The net effect of this change is increase in total equity as at March 31, 2016 of Rs. 300.33 million (Rs. 288.73 million as at April 1, 2015) and decrease in profit for the year ended March 31, 2016 of Rs. 11.60 million (net of tax) due to recognition of interest on the liability component on effective interest basis.

Note 6 : Deferred tax

Deferred taxes impact of the above adjustments, wherever applicable have been recognised on transition to Ind AS.

Note 7 : Retained earnings

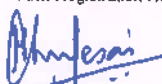
Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

Note 8 : Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as "other comprehensive income" includes re-measurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

Signatures to Notes to financial statements

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/ N500016



Mehul Desai
Partner
Membership No. 103211

For and on behalf of the Board of Directors



Malav Mahanti
Director and CFO
DIN: 07005344



D. K. Patil
Director
DIN: 00062784



Varun Batra
Company Secretary

Place: Mumbai
Date: April 25, 2017

Place: Mumbai
Date: April 25, 2017

NOTICE

NOTICE is hereby given that the **7th Annual General Meeting** of Welspun Captive Power Generation Limited will be held on **Wednesday, September 20, 2017** at the Registered Office of the Company at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat – 370 110 at 04.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company as at March 31, 2017 along with the Reports thereon.
2. To appoint a Director in place of Mr. Devendra Patil (DIN: 00062784), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of the Board, S R B C & CO LLP (having Firm Registration Number 324982E/E300003), be and is hereby appointed as the Statutory Auditors of the Company in place of Price Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm Registration Number - 012754N/N500016), the outgoing Statutory Auditors, to hold office from the conclusion of this i.e. 7th Annual General Meeting until the conclusion of 12th Annual General Meeting of the Company, subject to the ratification by the members at every Annual General Meeting, at a remuneration to be determined by the Board of Directors of the Company in addition to the out-of pocket expenses as may be incurred by them during the course of the Audit.”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), M/s. Kiran J. Mehta & Co., Cost Accountants (Firm Registration No. 000025), appointed as the Cost Auditors of the Company by the Board of Directors on the recommendation of the Audit Committee of the Board, to conduct the cost audit for the financial year ending March 31, 2018, be paid a remuneration of Rs. 125,000/- (Rupees One Lakh Twenty Five Thousand Only) and such travelling and out-of-pocket expenses, at actual incurred, if any, in connection with the audit, as may be authorized by the Board.”

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) read with Schedule IV of the Act and other applicable rules made pursuant to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law for the time being in force, if applicable, Mr. K H Viswanathan (DIN 00391263), who was appointed as an additional director (independent) with effect from July 30, 2016 by the Board of Directors of the Company and who holds office as such upto the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as prescribed under Section 149 of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years i.e. upto July 29, 2021 and whose office shall not be liable to retire by rotation.”

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) read with Schedule IV of the Act and other applicable rules made pursuant to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law for the time being in force, if applicable, Ms. Revathy Ashok (DIN 00057539), who was appointed as an additional director (independent) with effect from February 17, 2017 by the Board of Directors of the Company and who holds office as such upto the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as prescribed under Section 149 of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years i.e. upto February 16, 2022 and whose office shall not be liable to retire by rotation.”

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) and other applicable rules made pursuant to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law for the time being in force, if applicable, Ms. Dipali Goenka (DIN 00007199), who was appointed as an Additional Director with effect from July 30, 2016 by the Board of Directors of the Company under Section 161 of the Companies Act, 2013 and whose term expires at the ensuing Annual General Meeting of the Company and who has submitted a declaration that she is not disqualified to become a

Director as prescribed under Section 152 of the Act, be and is hereby appointed as a Director of the Company and her office shall be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the existing Directors of the Company be and is hereby severally authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard.”

8. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) and other applicable rules made pursuant to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law for the time being in force, if applicable, Mr. Atul Kumar Wahi (DIN 07558176), who was appointed as an Additional Director with effect from October 14, 2016 by the Board of Directors of the Company under Section 161 of the Companies Act, 2013 and whose term expires at the ensuing Annual General Meeting of the Company and who has submitted a declaration that he is not disqualified to become a Director as prescribed under Section 152 of the Act, be and is hereby appointed as a Director of the Company and his office shall be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the existing Directors of the Company be and is hereby severally authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution, including but not limited to filing of necessary forms with the Registrar of Companies and to comply with all other requirements in this regard.”

**By Order of the Board
For Welspun Captive Power Generation Limited**

Place: Mumbai
Date: August 07, 2017

**Devendra Patil
Director
DIN: 00062784**

Registered Office:

Welspun City, Village Versamedi,
Taluka Anjar, District Kutch, Gujarat – 370110
Tel. No.: +91 2836 661111, Fax No.: +91 2836 279010
CIN: U40100GJ2010PLC060502
Website: <http://www.welspuncaptivepower.com/>
Email: Companysecretary_WIL@welspun.com

NOTES

1. A statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) in respect of the special business under Item Nos. 4 to 8 of the Notice is annexed hereto.
2. In terms of Section 152 of the Act, Mr. Devendra Patil (DIN 00062784), Director, retires by rotation at the Meeting and being eligible has offered himself for re-appointment. In terms of Sections 149, 150, 152, 161 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. K H Viswanathan (DIN 00391263) and Ms. Revathy Ashok (DIN 00057539) have been confirmed by the Board of Directors as an Independent Director of the Company and in terms of Sections 149, 152, 161 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Dipali Goenka (DIN 00007199) and Mr. Atul Kumar Wahi (DIN 07558176) have been confirmed by the Board as the Directors of the Company, accordingly, a brief resume of Mr. Devendra Patil, Mr. K H Viswanathan, Ms. Revathy Ashok, Dipali Goenka and Mr. Atul Kumar Wahi is provided as Annexure – 1 forming part of the Notice.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxy forms, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
4. Proxy shall not have the right to speak and shall not be entitled to vote except on a poll.
5. A proxy can act on behalf of such number of member or members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. Provided that a member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as proxy for his entire shareholding and such person shall not act as proxy for any other person or shareholder.
6. An instrument of proxy is valid only if it is properly stamped as per the applicable law. Unstamped or inadequately stamped proxies or proxies upon which the stamps have not been cancelled are invalid.
7. The proxy-holder shall prove his identity at the time of attending the Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution in terms of Section 113 of the Act, together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting, to the Company’s Registrar and Transfer Agent.
9. A proxy form which does not state the name of the proxy shall not be considered valid. Undated proxy shall not be considered valid and if the Company receives multiple proxies for the same holdings of a Member, the proxy which is dated last shall be considered valid. If they are not dated or bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.

10. When a Member appoints a proxy and both the member and proxy attend the Meeting, the proxy stands automatically revoked.
11. Members who hold shares in dematerialized form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
12. All the correspondence pertaining to shareholding, transfer of shares, transmission etc. should be lodged at the Company's Registrar and Transfer Agents: Purva Sharegistry (India) Private Ltd., Unit: Welspun Captive Power Generation Limited, 9, Shiv Shakti Ind. Estt. J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai – 400 011. Tel. No. 022-2301 6761, 022-2301 8261, Fax No. 022-2301 2517, email- busicomp@vsnl.com, [website - www.purvashare.com](http://www.purvashare.com).
13. Members are requested to immediately inform about their change of address, change of e-mail address, if any, to the Company's Share Transfer Agent.
14. The physical copies of the Annual Reports and other documents referred to in the Notice will be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting.
15. The Register of Directors and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Act, will be available for inspection by the Members at the Meeting.
16. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members at the Meeting.
17. The shareholders who wish to nominate any person to whom his securities shall vest in the event of his death may do so by submitting the attached Nomination Form to the Company or the Registrar and Transfer Agent of the Company. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.

By Order of the Board
For Welspun Captive Power Generation Limited

Place: Mumbai
Date: August 07, 2017

Devendra Patil
Director
DIN: 00062784

Registered Office:
Welspun City, Village Versamedi,
Taluka Anjar, District Kutch, Gujarat – 370110
Tel. No.: +91 2836 661111, Fax No.: +91 2836 279010
CIN: U40100GJ2010PLC060502
Website: <http://www.welspuncaptivepower.com/>
Email: Companysecretary_WIL@welspun.com

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4 - Ratification of remuneration payable to the Cost Auditors

In pursuance of Section 148 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the Board based on the recommendation of the Audit Committee of the Board appointed M/s. Kiran J. Mehta & Co., Cost Accountants (Firm Registration No. 000025) as the Cost Auditors of the Company, for the conduct of the Cost Audit of the Company's various manufacturing units for the financial year 2017-18 on a remuneration of Rs. 125,000 (Rupees One Lakh Twenty Five Thousand Only) plus travelling and out of pocket expenses, at actual incurred, if any, in connection with the audit of the Company. Remuneration payable to the Cost Auditors has to be ratified by the shareholders.

None of the directors or the key managerial personnel of the Company or their relatives may be deemed to be concerned or interested in this resolution.

The Board recommends the resolution set forth in Item No. 4 for the approval of the members.

Item No. 5 - Appointment of Mr. K H Viswanathan as an Independent Director of the Company

Mr. K H Viswanathan is a non-executive independent director of the Company. He joined the Board of Directors of the Company in July 30, 2016. Mr. Viswanathan is a qualified cost and works accountant registered with the Institute of Costs and Works Accountants of India. He is a Management Consultant for the last 14 years, having over 25 years' experience in the field of Tax and Legal advisory and structuring, Management and Due - diligence audits, Business Strategy, Mergers and Acquisitions etc. Prior to becoming a Management Consultant, he has worked in senior management positions for around 15 years, heading the Finance, Accounting and Commercial functions of leading business groups such as Essar Group, Shogun Group, GKW Ltd, TCI Limited, Garware Group etc.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Viswanathan being eligible and offering himself for appointment is proposed to be appointed as an independent director for five consecutive years for a term upto July 29, 2021. A notice has been received from a member proposing Mr. Viswanathan as a candidate for the office of director of the Company.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an independent director of the Company and that he is independent of the management. Copy of the draft letter of appointment of Mr. Viswanathan as an independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would benefit the Company and it is therefore desirable to continue to avail services of Mr. Viswanathan as an independent director. The Board recommends the resolution in relation to appointment of Mr. Viswanathan as an independent director, for the approval by the shareholders of the Company.

Except Mr. Viswanathan, being an appointee, none of the directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

Item No. 6 - Appointment of Ms. Revathy Ashok as an Independent Director of the Company

Ms. Revathy Ashok is a non-executive independent director of the Company. She joined the Board of Directors of the Company in February 17, 2017. Ms. Revathy has over 28 years of experience in various business and strategic roles handling Business Development, Finance, Commercial and HR, Procurement, Legal Functions in differing corporate environments viz. software, IT enabled services, manufacturing & service, infrastructure and international trading. Ms. Revathy is B.Sc. from Bangalore University and was awarded the Central Government Merit Scholarship. She has done PGDM from IIM, Bangalore and was awarded a Gold Medal in the subject of Specialisation.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Ms. Revathy being eligible and offering herself for appointment is proposed to be appointed as an independent director for five consecutive years for a term upto February 16, 2022. A notice has been received from a member proposing Ms. Revathy as a candidate for the office of director of the Company.

In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an independent director of the Company and that she is independent of the management. Copy of the draft letter of appointment of Ms. Revathy as an independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that her continued association would benefit the Company and it is therefore desirable to continue to avail services of Ms. Revathy as an independent director. The Board recommends the resolution in relation to appointment of Ms. Revathy as an independent director, for the approval by the shareholders of the Company.

Except Ms. Revathy, being an appointee, none of the directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

Item No. 7 - Appointment of Ms. Dipali Goenka as Director of the Company

The Board of Directors of the Company appointed Ms. Dipali Goenka, as an additional Director of the Company with effect from July 30, 2016, pursuant to the provisions of Section 161 of the Companies Act, 2013 (“the Act”).

In terms of the provision of Section 161 of the Act, she would hold office up to the date of ensuing Annual General Meeting of the Members of the Company. In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as a director of the Company. The Board considers that her continued association would benefit the Company and it is therefore desirable to continue to avail services of Ms. Goenka as a director. The Board recommends the resolution in relation to appointment of Ms. Goenka as a director, for the approval by the shareholders of the Company.

Except Ms. Goenka, none of the Directors of the Company is, in any way, concerned or interested in the resolution.

Item No. 8 - Appointment of Mr. Atul Kumar Wahi as Director of the Company

The Board of Directors of the Company appointed Mr. Atul Kumar Wahi, as an additional Director of the Company with effect from October 14, 2016, pursuant to the provisions of Section 161 of the Companies Act, 2013 (“the Act”).

In terms of the provision of Section 161 of the Act, he would hold office up to the date of ensuing Annual General Meeting of the Members of the Company. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as a director of the Company. The Board considers that his continued association would benefit the Company and it is therefore desirable to continue to avail services of Mr. Wahi as a director. The Board recommends the resolution in relation to appointment of Mr. Wahi as a director, for the approval by the shareholders of the Company.

Except Mr. Wahi, none of the Directors of the Company is, in any way, concerned or interested in the resolution.

By Order of the Board
For Welspun Captive Power Generation Limited

Place: Mumbai
Date: August 07, 2017

Devendra Patil
Director
DIN: 00062784

Registered Office:

Welspun City, Village Versamedi,
Taluka Anjar, District Kutch, Gujarat – 370110
Tel. No.: +91 2836 661111, Fax No.: +91 2836 279010
CIN: U40100GJ2010PLC060502
Website: <http://www.welspuncaptivepower.com/>
Email: Companysecretary_WIL@welspun.com

Details of Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting pursuant to the Secretarial Standards - 2 on General Meeting

Annexure 1

Mr. Devendra Patil

Name	Devendra Patil
Date of Birth	November 07, 1959
Date of Appointment	April 30, 2010
Qualifications	B.Com, Company Secretary and LL.B (Gen)
Nature of his expertise in specific functional areas	Mr. Patil is a qualified Company Secretary and LL. B (Gen). He has over 20 years of experience in the field of Legal and Compliance.
Disclosure of relationships with other Directors and Key Managerial Personnel	None
Names of companies in which the person also holds the directorship	Welspun Mineral Resources Private Limited, Welspun Flooring Limited, Welspun Captive Power Generation Limited, Welspun Energy Transportation Private Limited, Welspun Energy UP Private Limited, Anjar Water Solution Private Limited, Dahej Infrastructure Private Limited, Welspun Delhi Meerut Expressway Private Limited, BESA Developers and Infrastructure Private Limited, Diameter Trading Private Limited, Veremente Enterprises Private Limited, Welspun Financial Services Limited, Worli Realty Private Limited, Welspun Realty Private Limited and Welshop Trading Private Limited
Names of companies and committees, of its Boards, in which the person holds membership	Welspun Captive Power Generation Limited Audit Committee - Member Nomination and Remuneration Committee - Member Corporate Social Responsibility Committee - Member
No. of shares held in the Company	NIL
No. of Board meetings attended	Refer of the Directors' Report, 2016-17

Mr. K H Viswanathan

Name	K H Viswanathan
Date of Birth	May 11, 1962
Date of Appointment	July 30, 2016
Qualifications	Cost and Works Accountant
Nature of his expertise in specific functional areas	Mr. Viswanathan is a qualified cost and works accountant registered with the Institute of Costs and Works Accountants of India. He is a Management Consultant for the last 14 years, having over 25 years' experience in the field of Tax and Legal advisory and structuring, Management and Due - diligence audits, Business Strategy, Mergers and Acquisitions etc. Prior to becoming a Management Consultant, he has worked in senior management positions for around 15 years,

	heading the Finance, Accounting and Commercial functions of leading business groups such as Essar Group, Shogun Group, GKW Ltd, TCI Limited, Garware Group etc.
Disclosure of relationships with other Directors and Key Managerial Personnel	None
Names of companies in which the person also holds the directorship	Welspun Corp Limited, AYM Syntex Limited, Welspun Anjar SEZ Limited, Welspun Wasco Coatings Private Limited, Welspun Captive Power Generation Limited, Welspun Global Brands Limited and Welspun Tradings Limited.
Names of companies and committees, of its Boards, in which the person holds membership	<p>Welspun Corp Limited Audit Committee - Member Share Transfer & Investor Grievance & Stakeholders' Relationship Committee - Member Nomination and Remuneration Committee - Member</p> <p>Welspun Captive Power Generation Limited Audit Committee - Chairman Nomination and Remuneration Committee - Chairman Corporate Social Responsibility Committee - Chairman</p> <p>Welspun Global Brands Limited Audit Committee - Chairman Nomination and Remuneration Committee - Chairman</p> <p>Welspun Anjar SEZ Limited Audit Committee - Member</p> <p>Welspun Wasco Coatings Private Limited Audit Committee - Member Nomination and Remuneration Committee - Member</p> <p>Welspun Tradings Limited Audit Committee - Member Nomination and Remuneration Committee - Member Corporate Social Responsibility Committee - Member</p>
No. of shares held in the Company	NIL
No. of Board meetings attended	Refer of the Directors' Report, 2016-17

Ms. Revathy Ashok

Name	Revathy Ashok
Date of Birth	January 16, 1959
Date of Appointment	February 17, 2017
Qualifications	B.Sc., Bangalore University and PGDM, IIM, Bangalore
Nature of his expertise in specific functional areas	Ms. Revathy Ashok has over 26 years of experience in various business and strategic roles handling Business Development, Finance, Commercial and HR, Procurement, Legal Functions in differing corporate environments viz. software, IT enabled

	<p>services, manufacturing & service, infrastructure and international trading.</p> <p>Ms. Revathy is B.Sc. from Bangalore University and was awarded the Central Government Merit Scholarship. She has done PGDM from IIM, Bangalore and was awarded a Gold Medal in the subject of Specialization.</p>
Disclosure of relationships with other Directors and Key Managerial Personnel	None
Names of companies in which the person also holds the directorship	Astrazeneca Pharma India Limited, Welspun Corp Limited, ADC India Communications Limited, Quess Corp Limited, L&T Construction Equipment Limited, L&T Kobelco Machinery Private Limited, Welspun Captive Power Generation Limited, Shell MRPL Aviation Fuels and Services Limited, Welspun Global Brands Limited, Welspun Tradings Limited, Khemeia Technologies Private Limited, Athena Infonomics India Private Limited and Microland Limited.
Names of companies and committees, of its Boards, in which the person holds membership	Welspun Captive Power Generation Limited Audit Committee - Member Nomination and Remuneration Committee - Member
No. of shares held in the Company	NIL
No. of Board meetings attended	Refer of the Directors' Report, 2016-17

Ms. Dipali Goenka

Name	Dipali Goenka
Date of Birth	October 13, 1969
Date of Appointment	July 30, 2016
Qualifications	Graduate in Psychology
Nature of his expertise in specific functional areas	Mrs. Goenka is a graduate in psychology. Mrs. Goenka has been involved at senior level in textile business of Welspun for over last 13 years.
Disclosure of relationships with other Directors and Key Managerial Personnel	None
Names of companies in which the person also holds the directorship	Rank Marketing LLP, Welspun India Limited, Welspun Flooring Limited, Welspun Zucchi Textiles Limited, Welspun Captive Power Generation Limited, Alspun Infrastructure Limited, MGN Agro Properties Private Limited, Prasert Multiventure Private Limited, Welspun Logistics Limited, Welspun Global Brands Limited, Friends Connections Private Ltd and Sequence Apartments Private Limited
Names of companies and committees, of its Boards, in which the person holds membership	NIL
No. of shares held in the Company	NIL
No. of Board meetings attended	Refer of the Directors' Report, 2016-17

Mr. Atul Kumar Wahi

Name	Atul Kumar Wahi
Date of Birth	October 10, 1956
Date of Appointment	October 14, 2016
Qualifications	Civil Engineer
Nature of his expertise in specific functional areas	Brigadier Wahi is Civil Engineer by profession and served 30 years at Civil Regiment of Indian Army. He is responsible for handling of central administration of Welspun Group companies at Anjar along with execution of CSR activities and various project activities.
Disclosure of relationships with other Directors and Key Managerial Personnel	None
Names of companies in which the person also holds the directorship	Welassure Private Limited and Welspun Captive Power Generation Limited.
Names of companies and committees, of its Boards, in which the person holds membership	NIL
No. of shares held in the Company	NIL
No. of Board meetings attended	Refer of the Directors' Report, 2016-17

Form No. SH-13
Nomination Form

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014)

To,
The Company Secretary,
Welspun Captive Power Generation Limited
Welspun City, Village Versamedi,
Taluka Anjar, Dist. Kutch,
Gujarat, Pin – 370110.

I/ We _____ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S —

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR--

- (a) Date of birth:
- (b) Date of attaining majority
- (c) Name of guardian:
- (d) Address of guardian:

4. PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY –

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality:
- (f) Address:

- (g) E-mail id:
- (h) Relationship with the security holder:
- (i) Relationship with the minor nominee:

Name: _____

Address: _____

Name of the Security Holder(s) _____

Signatures: _____

Witness with name and address: _____

Instructions:

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on re-patriable basis.
5. Transfer of Shares in favour of a nominee shall be a valid discharge by a Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. Whenever the Shares in the given folio are entirely transferred or dematerialised, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the Registrars & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
13. The intimation regarding nomination / nomination form shall be filed in duplicate with the Registrars & Transfer Agents of the Company who will return one copy thereof to the Shareholders.
14. For shares held in dematerialized mode, nomination is required to be filed with the Depository Participant in their prescribed form.

Signature : _____;
or failing him

2. Name) : _____

Address : _____

E-mail Id: _____

Signature : _____;
or failing him

3. Name) : _____

Address : _____

E-mail Id: _____

Signature : _____

as my / our proxy attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on September 20, 2017 at 12.00 p.m. at the Registered Office of the Company at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat – 370110 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject of the Resolution	Voting	
		For	Against
1	Consider and adopt Audited Financial Statements (standalone), report of the Board of Directors and Auditors thereon.		
2	Re-appointment of Ms. Dipali Goenka as a director of the Company, liable to retire by rotation.		
4	Appointment of S R B C & CO LLP (having Firm Registration Number 324982E/E300003), as the Statutory Auditors of the Company in place of Price		

	Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm Registration Number - 012754N/N500016), the outgoing Statutory Auditors.		
	Ratification of remuneration payable to Cost Auditor.		
5	Appointment of Mr. K H Viswanathan as an independent director.		
7	Appointment of Ms. Revathy Ashok as an independent director.		
8	Appointment of Ms. Dipali Goenka as a Director the Company.		
9	Appointment of Mr. Atul Kumar Wahi as a Director the Company.		

Signed this day of2017.

Affix Re. 1 Revenue stamp
--

Signature of shareholder _____

Signature of Proxy Holder(s) : 1) _____ 2) _____ 3) _____

Note:

- 1) Please complete all the details including details of member(s) in the above Box before submission.
- 2) It is optional to put "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.
- 3) **A proxy can act on behalf of such number of member or members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. Provided that a member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
- 4) The Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

WELSPUN CAPTIVE POWER GENERATION LIMITED
CIN : U40100GJ2010PLC060502

Registered Office : Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat, Pin – 370110, India. Board No.: +91 2836 661111, Fax No. + 91 2836 279010, Email : CompanySecretary_WIL@welspun.com Website: <http://www.welspuncaptivepower.com/>

Corporate Office : Welspun House, 6th Floor, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013. Board : +91 -22-66136000 Fax: +91-22-2490 8021

E-mail Registration-Cum-Consent Form

To,

The Company Secretary,

Welspun Captive Power Generation Limited,

Welspun City, Village Versamedi,

Taluka Anjar, Dist. Kutch, Gujarat, Pin – 370110

I/ we the members of the Company do hereby request you to kindly register/ update my e-mail address with the Company. I/ We, do hereby agree and authorize the Company to send me/ us all the communications in electronic mode at the e-mail address mentioned below. Please register the below mentioned e-mail address / mobile number for sending communication through e-mail/ mobile.

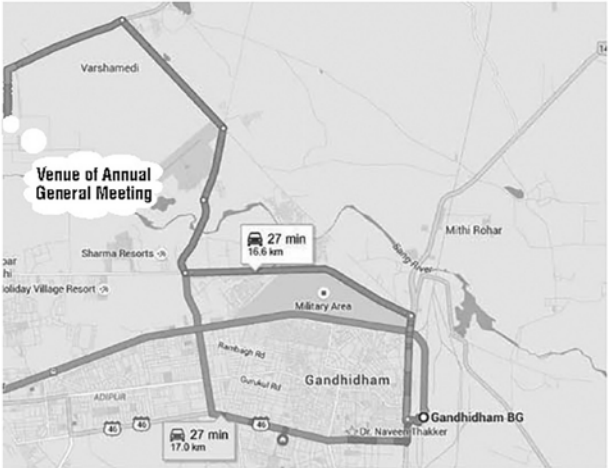
Folio No.	:	DP – ID	:	Client ID	:
Name of the Registered Holder (1 st)			:		
Name of the joint holder(s)			:		
			:		
Registered Address			:		

	Pin:	
Mobile Nos. (to be registered)	:	
E-mail Id (to be registered)	:	

Signature of the Shareholder(s)*

*** Signature of all the shareholders is required in case of joint holding.**

Route Maps



Gandhidham Station to Welspun



Anjar Station to Welspun

C. S. MANGAL & CO.
CHARTERED ACCOUNTANTS

C. S. Mangal
B. Com, F.C.A., A.C.S.
Proprietor

Block No. 9, Roxana Building,
Ground Floor, 109, Maharshi Karve Road,
Churchgate, Mumbai - 400 020.
Tel.: 022- 2203 6685 / 2205 7359
Fax : 022- 2205 7359
Email : csmangal_24@yahoo.com
Mobile : 9820078230

TO WHOMSOEVER IT MAY CONCERN

This certificate is being issued with respect to the Nonconvertible Debentures (NCD) issued by Welspun Captive Power Generation Limited (WCPGL) for Rs 220 Crores and for which SBICAP Trustee Company Ltd had been appointed as the trustee.

We have reviewed the books and records of the Issuer as is necessary for us to provide this certificate. This is to confirm that the proceeds from the abovementioned NCD issued by Welspun Captive Power Generation Limited had been used only to repay the outstanding term loan of WCPGL of Rs 220 Crores provided by ICICI Bank Limited. The said proceeds had not been used for any purpose which is not permitted by the guidelines issued by the Reserve Bank of India.

For C. S. Mangal & Co
Chartered Accountants



Proprietor
Membership No. 35244
Place: Mumbai
Date: 27.05.2016

