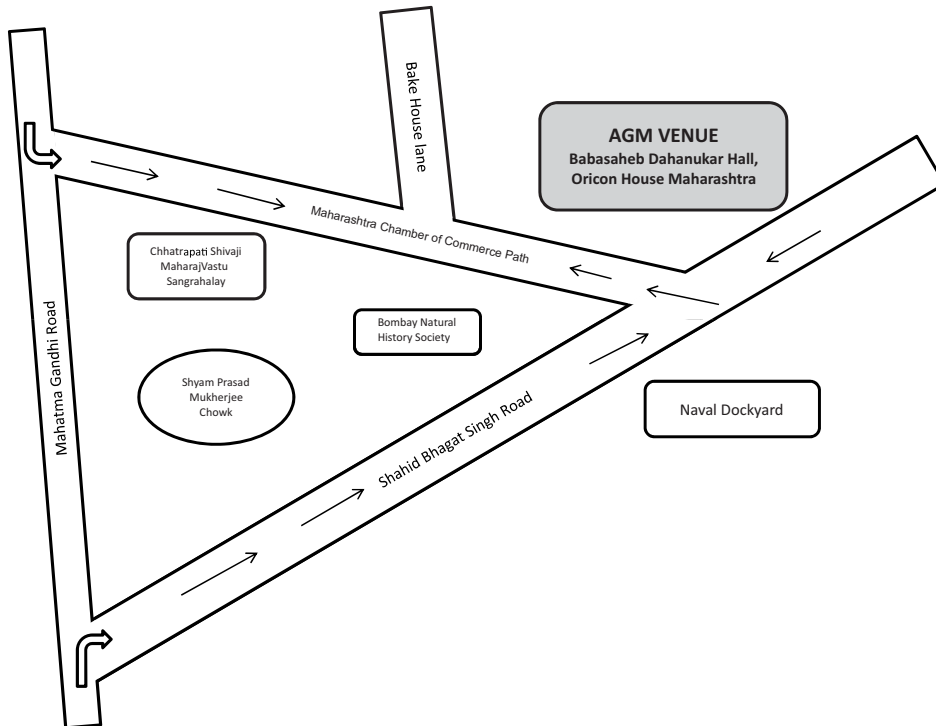




# 10<sup>th</sup> Annual Report 2016-2017

## Road Map for Venue of Annual General Meeting of Karma Energy Limited

Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce,  
Oricon House, 6th Floor, Kalaghoda, Fort, Mumbai - 400 001.



## ANNUAL REPORT 2016-2017

### BOARD OF DIRECTORS

Shri Dharmendra G. Siraj	- Chairman
Shri Chetan D. Mehra	- Vice Chairman
Shri Neelkamal V. Siraj	
Shri Vishnu P. Kamath	
Shri Upkar Singh Kohli	
Shri Vinesh N. Davda	
Shri Kishore N. Vussonji	
Smt. Smita V. Davda	
Shri Balady S. Shetty	
Shri Ganesh N. Kamath	- Managing Director
Shri T V Subramanian	- CFO and Company Secretary

### BANKERS

Axis Bank Ltd  
State Bank of India  
Uco Bank

### AUDITORS

M/s U.B.Sura & Co.  
M/s Shyam C. Agrawal & Co.

### REGISTERED OFFICE

Empire House, 214, Dr. D.N. Road,  
Ent. A.K.Nayak Marg, Fort  
Mumbai - 400 001.  
Tel Nos. 22071501-06, Fax : 22071514  
Email [investorshelpdesk@weizmann.co.in](mailto:investorshelpdesk@weizmann.co.in)  
Website : [karmaenergy.co](http://karmaenergy.co)  
CIN : L31101MH2007PLC168823

### WIND POWER PLANTS

Andhra Pradesh	- Anantpur
Maharashtra	- Beed, Satara
Tamil Nadu	- Coimbatore, Theni, Tirunelveli

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## 10<sup>th</sup> ANNUAL GENERAL MEETING OF KARMA ENERGY LIMITED

on

**Wednesday, 23<sup>rd</sup> August, 2017 at 3.45 p.m.**

or soon after the conclusion of Annual General Meeting of Weizmann Forex Limited convened for the same day, whichever is later at  
Babasaheb Dahanukar Hall,  
Maharashtra Chamber of Commerce,  
Oricon House, 6th Floor,  
Kalaghoda, Fort, Mumbai - 400 001

### REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Pvt.Ltd.  
1st Floor, Bharat Tin Works Bldg., Opp. Vasant Oasis Apartments, Marol-Maroshi Road, Andheri (E), Mumbai - 400 059.  
Tel No.: 62638200 Fax No.: 62638299  
Email : [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the Meeting.

## NOTICE

Notice is hereby given that the 10th Annual General Meeting of the Members of KARMA ENERGY LIMITED will be held on Wednesday, August 23, 2017 at 3.45 p.m. or soon after the conclusion of the Annual General Meeting of Weizmann Forex Ltd whichever is later at Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, 6th Floor, Oricon House, Kala Ghoda, Mumbai – 400 001 to transact the following business :

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2017 including Audited Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Neelkamal V Siraj (holding DIN 00021986), who retires by rotation and, being eligible, offers himself for re- appointment.
3. To appoint a Director in place of Shri Dharmendra G. Siraj (holding DIN 00025543), who retires by rotation and, being eligible, offers himself for re- appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 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(s) thereof for the time being in force) and pursuant to recommendations of the Audit Committee and Board of Directors of the Company, Messrs. Batliboi and Purohit, Chartered Accountants (Firm Registration No. 101048W) who have given their consent for appointment as Auditors of the Company and have confirmed their appointment and eligibility to be appointed as Auditors of the Company in terms of provision of Section 141 of the Act be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 15th Annual General Meeting scheduled in the calendar year 2022 on such remuneration as may be mutually decided by the Board of Directors of the Company and the Statutory Auditors.

### SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:-

**"RESOLVED THAT** Shri Balady Shekar Shetty (DIN : 01262317) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 24th May, 2017 in terms of Section 161 of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company for a tenure of five consecutive years and whose office will not be liable to retire by rotation.

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:-

**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force, read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the re-appointment of Shri Ganesh N. Kamath (holding DIN : 00040805), who was re-

appointed as Managing Director by the Board of Directors under the Articles of Association of the Company for a term of 1 year effective from 1st December, 2016, on the terms and conditions of appointment and remuneration as contained in the agreement entered into between the company and Shri Ganesh N. Kamath and the Board of Directors be and are hereby authorized to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 as may be agreed to by the Board of Directors and Shri Kamath.

By Order of the Board

Place : Mumbai  
Date : 26th May 2017

**T. V. Subramanian**  
**CFO & Company Secretary**

### NOTES :

- 1) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE ANNUAL GENERAL MEETING.
- 3) In terms of Section 152 of the Companies Act, 2013, Shri Neelkamal V. Siraj (DIN : 00021986) and Shri Dharmendra G. Siraj (DIN : 00025543) Directors of the Company retires by rotation at the ensuing AGM. Shri Neelkamal V. Siraj and Shri Dharmendra G. Siraj, being eligible, offer themselves for re- appointment.
- The Board of Directors of the Company recommends re- appointment of Shri Neelkamal V. Siraj and Shri Dharmendra G. Siraj.
- 4) Information of Directors recommended for re-appointment at the Annual General Meeting in terms of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms integral part of the notice. The Directors have furnished the requisite declarations for their re-appointment.
- 5) The Register of Members and Share Transfer Books of the Company will be closed on 16th August, 2017 for the purpose of Annual General Meeting.
- 6) Shareholders are requested to notify immediately any change in their address to the Registered Office of the Company quoting their Folio Number and if the shares are held in dematerialised form, this information should be sent to their respective Depository Participants.
- 5) Information on Directors recommended for appointment / re- appointment at the Annual General Meeting in terms of Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re- appointment.
- 6) Members may please note that, Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also mandated that for securities market transactions and off market/ private transactions involving transfer of shares in physical form, it shall be necessary for the transferee(s) to furnish copy of PAN card to the Company/ RTA for registration of such transfer of shares.

Members may please note that, SEBI has also made it mandatory for submission of PAN in the following cases viz., (i) Deletion of name of the deceased Member(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.

- 7) Members holding shares in physical form are advised to avail the Nomination facility in respect of their shares by filling the prescribed form. Members holding shares in electronic form may contact their DP for recording their Nomination.
- 8) The Annual Report for 2017 can be accessed from company's website [www.karmaenergy.co](http://www.karmaenergy.co) by all the members. The members whose email IDs are registered with the Company / Depository Participant(s) as part of the green initiative would be receiving email for e-voting from NSDL wherein link to Company's website for accessing Annual Report would be available. However such members, on their request for a hard copy of the Annual Report, would be provided at free of cost. For members who have not registered their email address, physical copies of the Annual Report for 2017 is being sent in the permitted mode.
- 9) Electronic copy of the Notice of the 10th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy Form is being sent to all the members whose email ids are registered with the company / depository participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 10th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form is being sent in the permitted mode.

#### 10) Voting Options

- i) Pursuant to Section 108 of Companies Act, 2013, Companies (Management & Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the shareholders can vote on all the business to be transacted at the Annual General Meeting by way of any one of the following methods:
  - a) Remote e-voting i.e. the facility of casting votes by a member using an electronic voting system from a place other than venue of the annual general meeting
  - b) Voting at venue of the annual general meeting through e-voting facility or poll, as will be provided by the Company
- ii. The shareholders who have cast their votes through remote e-voting shall be entitled to attend the meeting, however, shall not be eligible to cast their vote again at the venue of the annual general meeting.
- iii. In case a shareholder votes through remote e-voting as well as cast his/her vote at the venue of the meeting, then the vote cast through remote e-voting shall only be considered and the voting done at the venue of the meeting shall not be considered by the scrutinizer.
- iv. The shareholders as on the cut-off date viz. Wednesday, 16th August, 2017 shall only be eligible to vote on the resolutions mentioned in the notice of annual general meeting.
- v. The shareholders shall have one vote per equity share held by them. The facility of voting would be provided once for every folio / client id, irrespective of the number of joint holders.
- vi. The Company has appointed Shri Martinho Ferrao, practicing company secretary, as the scrutinizer for conducting the voting process in a fair and transparent manner.
- vii. The scrutinizer will submit his final and consolidated report to the Chairman of the Company within three days after the conclusion of annual general meeting. The scrutinizer's decision on the

validity of all kinds of voting will be final.

- viii. The results of annual general meeting shall be declared by the Chairman or his authorized representative or anyone of the Director of the Company after the annual general meeting within the prescribed time limits.
- ix. The results of voting will also be placed at the website of the Company viz. [www.karmaenergy.co](http://www.karmaenergy.co) and on NSDL website viz. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and shall also be displayed at Company's registered office.

#### 11) INSTRUCTIONS FOR REMOTE E-VOTING

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 20th August, 2017 (9:00 am) and ends on 22nd August, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 16th August, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
    - (i) Open email and open PDF file viz: "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put your user ID and password. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" - 106517 of "Karma Energy Ltd".



- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to mferraocs@gmail with a copy marked to evoting@nsdl.co.in
- (B) In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
- EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).
- In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 16th August, 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 16th August, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [investor@bigshareonline.com](mailto:investor@bigshareonline.com).
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of

remote e-voting as well as voting at the AGM through ballot paper.

- XIII. Mr. Martinho Ferrao, Practising Company Secretary (Membership No. 6221) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.karmaenergy.co](http://www.karmaenergy.co) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited, Mumbai and National Stock Exchange of India Ltd.
- 12) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 a.m to 6.00 p.m) on all working days except Saturdays, upto and including the date of the Annual General Meeting of the Company.
- 13) Members desirous of asking any questions at the AGM are requested to send in their questions so as to reach the Company at least 10 days before the AGM, so that the same can be suitably replied.
- 14) The Landmark and route map to the venue of the AGM is attached and forms part of this Notice.

### Explanatory Statement (Pursuant to Section 102 of the Companies Act, 2013)

The following explanatory statement sets out all the material facts relating to the Special Business under item No. 5 & 6 of the accompanying notice dated 24th May, 2017.

#### In respect of item No. 5

Shri Balady Shekar Shetty is a Non-Executive, Independent Director of the Company. He joined the Board of Directors of the Company on 24th May, 2017. As per Section 149 (6) of the Companies Act, 2013 read Schedule IV to the Companies Act, 2013, an independent director should not be considered for total number of directors who have to retire by rotation and the tenure of such independent directors could be a maximum of 5 years consecutively and further can be reappointed for another consecutive period of 5 years if approved by the members by special resolution.

Shri Balady Shekar Shetty is a Commerce Graduate, CAIIB, LLB, & ACS and has vast experience in Administration, Finance, Foreign Exchange, Treasury, & Wind Projects.

Apart from his experience in the field of Administration, Finance, Foreign Exchange and Treasury he has been actively associated with various companies. Shri Balady Shekar Shetty retired as Managing Director of Weizmann Forex Ltd and is also a Director in various companies viz. Vedang Forex Solutions Ltd, Weizmann Ltd and Windia Infrastructure Finance Ltd.

Shri B. S. Shetty holds 133 shares in the company.

Your company has received self-declaration from Shri Balady

Shekar Shetty stating that he fulfills the criteria for being an independent director in accordance with Section 149(7) of the Companies Act, 2013 and the Board has also arrived at an opinion that Shri Balady Shekar Shetty fulfills the conditions specified in Companies Act, 2013 and Rules made there under along with Clause 49 of the Listing Agreement entered into with the Stock Exchanges for being appointed as an Independent Director

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Shri Balady Shekar Shetty as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Balady Shekar Shetty as an Independent Director, for approval by the shareholders of the Company. A Notice has been received from a member proposing Shri Balady Shekar Shetty as a Candidate for the office of Director of the Company.

None of the Directors, Key Management Personnel and relatives thereof other than Shri Balady Shekar Shetty is concerned or interested in the Resolution set out at item No.5 of the notice.

The Board recommends the passing of this resolution.

#### In respect of item No. 6

The Board of Directors at their meeting held on November 14, 2016 re-appointed Shri Ganesh N. Kamath as Managing Director of the Company subject to necessary approvals with effect from 1st December, 2016 for a period of one year. Shri Ganesh Kamath is a BE (Mech) from IIT, Mumbai.

The re-appointment of Shri Ganesh Kamath is appropriate and in the best interest of the Company.

The approval of the members is being sought to the terms, conditions and stipulations for the re-appointment of Shri Ganesh N. Kamath as the Managing Director and the remuneration payable to him.

The material terms of re-appointment and remuneration as contained in the Agreement are given below :

Period of Agreement : One year from 1st December 2016

Remuneration payable :

a) Salary	: Rs.17,28,000/- p.a
b) Lease Accommodation Rent	: Rs. 3,60,000/- p.a
c) Medical Reimbursement	: Rs. 24,000/- p.a
d) Leave travel assistance	: Rs. 36,000/- p.a
e) Provident Fund	: 12 % of Basic salary i.e Rs.2,07,360/- p.a

i) Personal Accident Insurance	: As per rules of the Company
ii) Medical Insurance	: As per rules of the Company
iii) Gratuity	: Half month's basic salary for each completed year of service.
iv) Leave encashment	: At the end of the tenure and computation based on basic salary and the same shall not be considered in computing ceiling on perquisites.
v) Leave	: As per the applicable rules of the Company.
vi) Company's Car with Driver	: Permitted for the business of the Company.
vii) Telephone facility	: Free Telephone at residence, personal long distance calls to be billed at actuals.

If during the currency of the Managing Director, the Company has no profits or its profits are inadequate in any financial year, the Managing Director shall be entitled to remuneration by way of salary and perquisites not exceeding the limits specified above.

The other terms and conditions of the said agreement are such as are customarily contained in agreement of similar nature.

None of the Directors of the company except Shri Ganesh N. Kamath is concerned in the said resolution.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Board recommends the Special Resolution set out at item No.6 of the accompanying notice for the approval of the members.

By Order of the Board

Place : Mumbai  
Date : 26th May 2017

**T. V. Subramanian**  
CFO & Company Secretary

#### DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015

Particulars	Shri Neelkamal V. Siraj	Shri Dharmendra G. Siraj	Shri Balady S. Shetty
Date of Birth (Age)	25 <sup>th</sup> June, 1953 (64 Years)	28 <sup>th</sup> December, 1951 (66 Years)	10 <sup>th</sup> March, 1952 (65 Years)
Date of Appointment	26 <sup>th</sup> August, 2010	26 <sup>th</sup> August, 2010	24 <sup>th</sup> May, 2017
Qualification	Commerce Graduate	D. G. Siraj holds a Bachelor's degree in Business Management from Mumbai University and a Diploma in Management Studies from London, U. K.	Commerce Graduate, CALIB, FCS & LLB
Expertise in specific functional areas	Wide experience in textile processing and exports, and Power projects	Rich and varied management experience of over 40 years in financial services, including Money Exchange and Remittance Services, besides Housing and Consumer Finance. He has been closely associated with the promotion of Renewable Energy and Exports, and has repeatedly served on the Export Promotion Panel of the Cotton Textile Export Promotion Council, and been on the Committee of the All India Exporters Chamber.	Vast experience of 40 years in Finance, Administration, Treasury, Foreign Exchange, Wind Projects.
Directorships held in other public companies (excluding foreign companies and Section 8 Companies)	<ul style="list-style-type: none"> <li>Brahmanvel Energy Ltd</li> <li>Greenweiz Projects Ltd</li> <li>Khandesh Energy Projects Ltd</li> <li>Weizmann Corporate Services Ltd</li> <li>Weizmann Ltd</li> <li>Weizmann Forex Ltd</li> <li>Weizmann Impex Service Enterprise Ltd</li> <li>Weizmann International Ltd</li> </ul>	<ul style="list-style-type: none"> <li>Brahmanvel Energy Ltd</li> <li>Greenweiz Projects Ltd</li> <li>Purvaja Projects Ltd</li> <li>Vedang Forex Solutions Ltd</li> <li>Weizmann International Ltd</li> <li>Weizmann Ltd</li> <li>Weizmann Forex Ltd</li> <li>Weizmann Impex Service Enterprise Ltd</li> <li>Weizmann Corporate Services Ltd</li> </ul>	<ul style="list-style-type: none"> <li>Vedang Forex Solutions Ltd</li> <li>Weizmann Ltd</li> <li>Windia Infrastructure Finance Ltd.</li> </ul>
Memberships / Chairmanships of Committees of other public companies (includes only Audit Committee and stakeholder's Relations Committee)	Nil	Audit Committee <ul style="list-style-type: none"> <li>Weizmann Ltd</li> <li>Weizmann Forex Ltd</li> </ul> Stakeholder's Relations Committee <ul style="list-style-type: none"> <li>Weizmann Ltd</li> <li>Weizmann Forex Ltd - Chairman</li> </ul>	Audit Committee <ul style="list-style-type: none"> <li>Weizmann Ltd</li> <li>Windia Infrastructure Finance Ltd.</li> </ul>
Number of Shares held in the Company	Nil	828345 Equity Shares	133 Equity Shares

## DIRECTORS' REPORT

### TO THE MEMBERS OF KARMA ENERGY LIMITED

The Directors are pleased to present this Tenth Annual Report and the Audited Statement of Accounts for the year ended March 31, 2017.

#### 1. FINANCIAL RESULTS

(Rs. in lakh)

Particulars	2016-2017	2015-2016
Total Income including exceptional items	2861.50	1435.50
Profit / (Loss) Before Depreciation	416.05	355.90
Less : Depreciation	499.83	500.16
Profit / (Loss) Before Tax	(83.78)	(144.26)
Less : Income Tax	131.00	105.00
Less : Deferred Tax	(406.73)	(95.04)
Profit / (Loss) After Tax	191.95	(154.22)
Add : Balance brought forward from previous year	(85.95)	68.28
Balance Available for appropriation	106.00	(85.95)

<b>Director's Recommendation for Appropriation :</b>		
Proposed Dividend on Equity Shares : NIL (2015-2016: NIL)	—	—
Dividend Tax	—	—
Surplus Carried to Balance Sheet	106.00	(85.95)

The consolidated Financial Statements of the Company and its subsidiaries and associates, prepared in accordance with Accounting Standard 21 prescribed under Companies (Accounting Standards) Rules form part of the Annual Report and Accounts.

#### 2. DIVIDEND AND RESERVES

Your Directors have not recommended dividend (previous year Rs.NIL per share) for financial year 2016-17 on account of the need to conserve the resources as the payments from the utilities have not been regular as per the due dates.

#### 3. FIXED DEPOSITS

Your Company has not accepted any Fixed Deposits within the meaning of Section 73 of the Companies Act, 2013.

#### 4. PERFORMANCE

During the year the Total Income of the Company was Rs.2861.50 Lakh as compared to Rs.1435.50 Lakh in the previous year. The Profit before depreciation achieved was Rs.416.05 Lakh (Previous year Rs.355.90 Lakh). The Profit after Tax registered was Rs.191.95 Lakh (Previous year loss of Rs.154.22 Lakh). The company has not transferred any amount to Reserves during the year.

There has been no change in the business of the company during the year as compared to the previous year.

Generation from all its wind power plants in different states have been more than the previous year consequent to good monsoon witnessed in 2016-17. Overall the generation was higher than the previous year by about 19%.

With respect to realization of generation proceeds from state utilities or approval to sale to third parties, the same continue to be an issue in every state. In Andhra Pradesh, for the period January 2011 to May 2014, 50% of the generation dues have not been received consequent to the state bifurcation and the company has been forced to file a writ petition in the jurisdictional high court. In respect of period after expiry of the PPA in September 2015 and September 2016, though wind power is being fed into the grid of AP utility, in the absence of approval of PPA by deriving a tariff considering the actual Plant Load Factor of the wind farm, no

payments are being realized and necessitating filing of an appeal before Electricity Tribunal against the order of APERC.

As far as 18 MW wind farm in Satara district Maharashtra is concerned pursuant to favourable order issued by MERC for F.Y. 2014-15, MSEDCL has been effecting credit in 12 equal installments instead of settling the credit in a short span of time in the bills of the customers to whom wind power is sold. However the payments are being received regularly every month.

For F.Y. 2016-17 due to delay in approval of medium term open access, the value for wind power could not be realized for the period October 2016 to March 2017 and it is hoped that the company would realize its dues in the next 4 to 5 months as MSEDCL has issued the approval in mid March 2017. As far as F.Y. 2017-18 is concerned, MSEDCL has issued the approval in April 2017 itself.

As far as the wind farms in Tamil Nadu is concerned, the overdues continue to be for about 9 to 10 months and the said trend has been continuing in the last 2 to 3 years.

Sale of RECs continues to be very less and has been following the pattern of the last couple of years. Compounding the woes has been the reduction in floor price to Rs.1,000/- per REC from Rs.1,500/- per REC with effect from April 2017. The company has unsold RECs valued at Rs.523.07 lakh.

Even though day in day out the Central Government has been pronouncing their objective of achieving high capacity additions and reaching targets in GWs, the ground reality has been totally the opposite. The state utilities have been reporting acute cash crunch and in some states like Maharashtra though projects are completed, PPAs are not signed and for existing projects, the generation dues are not released in a timely manner. Further the non-renewal of generation based incentives and withdrawal of accelerated depreciation with effect from April 2017 has brought in a dampening effect on the industry. Further there has been levy of additional surcharge and increase in the cross subsidy surcharge to 100% from 25% in Maharashtra.

#### 5. SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES

Your company had 8 subsidiary companies of which during 2016-17, the company has divested its 100% stake in Almi Hydro-Electric Projects Ltd and Joiner Hydro Power Projects Ltd and partly Baledh Energy Projects Ltd. Consequently these companies ceased to be subsidiary companies except Baledh Energy Projects Limited has become an associate company. Currently the company has 5 subsidiaries viz. Batot Hydro Power Ltd, Brahmanvel Energy Ltd, Greenweiz Projects Ltd, Khandesh Energy Projects Ltd and Vajharpada Energy Ltd.

All subsidiary companies are SPV's executing power projects which are in different stages of development except Greenweiz Projects Limited is in the business of carrying out operation & maintenance of wind farms. Batot is operating its 3.5 MW small hydro power Project. Though the wind power generation has been high due to good monsoon, the monsoon in Himachal Pradesh has been low and lack of snow melting resulted in lesser water availability and lower hydro power generation.

In accordance with Section 136 of the Companies Act, 2013 read with Rule 10 of The Companies (Accounts) Rules, 2014, a company may forward statement of accounts containing the salient features in the prescribed form and simultaneously ensure that copies of the financial statements including consolidated financial statements along with Auditors Report, Directors Report and other documents that is required to be attached or annexed with the financial statements are made available for inspection at



the registered office of the company, during working hours for a minimum period of 21 days prior to the meeting of the shareholders. Accordingly Accounts in the Abridged Form as per prescribed Form AOC-3 of the subject rules are being forwarded to all the members of the company with complete set of financial statements available at the registered office of the company for inspection as above. Also salient features in the financial statement of subsidiaries, associate companies, joint ventures compiled in Form AOC-1 of the subject Rules are attached to the financial statements.

Weizmann Corporate Services Ltd. is an Associate company apart from Baledh Energy Projects Limited.

## 6. DIRECTORS AND KEY MANAGEMENT PERSONNEL

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company the Directors Shri D G Siraj and Shri N V Siraj retires by rotation and, being eligible have offered themselves for re-appointment.

The Managing Director of the company Mr. G N Kamath was re-appointed for a period of one year with effect from 1st December 2016 subject to approval of shareholders by special resolution at the ensuing Annual General Meeting. The confirmation of re-appointment of Mr. G N Kamath as Managing Director for a period of one year and above would be included in Notice to the ensuing AGM.

The Board at their meeting on 24th May 2017 appointed Mr. B. S. Shetty as Additional Director as per section 161 of the Companies Act, 2013 and he holds office upto the date of ensuing Annual General Meeting. Mr. B. S. Shetty has wide experience in Finance and Renewable energy and the Company would be benefitted from his experience. The Board recommends his appointment as Director and also as an Independent Director since he satisfies conditions u/s 149(6) of the Companies Act, 2013 by the Shareholders at the ensuing AGM.

The Company pursuant to Section 149(10) read with Section 152 of the Companies Act, 2013 has three independent directors viz. Shri V P Kamath, Shri K M Vussonji and Shri Upkar Singh Kohli who were appointed for a term of five consecutive years at the Annual General Meeting held on 11.09.2014 apart from Mr. B. S. Shetty whose appointment as independent director is proposed at the ensuing AGM.

During the year no directors have resigned from the Board.

The Board of Directors had four meetings during financial year 2016-17.

Mr. T V Subramanian is the Chief Financial Officer appointed by the Board of Directors.

## 7. RECONSTITUTION OF AUDIT COMMITTEE

The constitution of the Audit Committee was as below

Mr. V P Kamath	– Independent Director	– Chairman
Mr. K M Vussonji	– Independent Director	– Member
Mr. D G Siraj	– Non Independent Director	– Member

Pursuant to Mr. K M Vussonji expressing his desire to step down from the Committee due to his preoccupation, the Audit Committee was reconstituted at the meeting of the Board on 24.05.2017 by appointing Mr. B S Shetty an Independent Director as member of the audit committee as he has wide experience in both finance as well as renewable energy

## 8. STATEMENT INDICATING THE MANNER IN WHICH FORMAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to provisions of the Companies Act and the Listing Regulations, the Board has carried out the annual performance evaluation of Board's own performance, performance of the Chairman of the Board, the Committees and independent Directors without participation of the relevant Director. The Nomination and Remuneration Committee of the Board continuously evaluated the performance of the Board and provided feedback to the Chairman of the Board. The independent directors had a separate meeting without the presence of any non independent directors and management and considered and evaluated the Board's performance, performance of the Chairman and other non independent directors and shared their views with the Chairman.

## 9. FAMILIARISATION PROGRAMME ARRANGED FOR INDEPENDENT DIRECTORS

The company as required under Schedule IV of the Companies Act, 2013 and Listing Regulations has made arrangement to facilitate the independent directors to familiarize with the operations of the company, their roles, rights, responsibilities as Directors of the company considering the nature of the industry in which the company operates, business model of the company, etc. The above aspect can be accessed by web link <http://www.karmaenergy.co/fid.html> During F.Y. 2016-17 no new independent directors have been appointed by the company.

## 10. EXTRACT OF ANNUAL RETURN AS PER SECTION 92(3) OF COMPANIES ACT, 2013

An extract of Annual Return as at 31.03.2017 pursuant to section 92(3) of the Companies Act, 2013 and forming part of this Report is attached as Annexure-1 to this Report.

## 11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) of the Companies Act, 2013, your Directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period ;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities; and
- iv) that the Directors had prepared the annual accounts on a going concern basis.
- v) that 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;
- vi) 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 ;

## 12. STATEMENT OF DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(7) OF THE COMPANIES ACT, 2013

The Board confirms the receipt of statement of declaration from independent directors u/s.149(7) of the Companies Act, 2013 on the matters of criteria of independent Director u/s. 149(6) of the Act.

## 13. COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The company has constituted a Nomination and Remuneration Committee with the responsibilities of formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, Key Managerial Personnel and other employees ; Formulating criteria for evaluation of independent directors and the Board ; Devising policy on Board diversity ; Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

Appointment and Remuneration to Managing Director is subject to approval by members in General Meeting and shall be in accordance with Schedule V of Companies Act, 2013 and ceiling as per Section 197 of the Act. Appointment of Independent Directors to satisfy conditions u/s.149(6) of the Companies Act, 2013. The Independent Directors shall be governed by Code of Conduct detailed in Schedule IV of the Companies Act, 2013.

The personnel selected as Board Member or Key Management Personnel or other senior personnel of the company is based on their requisite qualifications, skills, experience and knowledge in the relevant fields.

Remuneration policy of the Company includes fixation of remuneration and annual increments based on performance, knowledge, position, target achievement, company's business plans, market environment and the remuneration is segregated into monthly fixed payments, annual payments, contribution to social and retirement benefits, reimbursement of expenses incurred for discharge of official duties, annual bonus, welfare schemes like insurance on health for self and family, accident benefits, tying up with agencies for managing retirement benefits like gratuity, pension schemes, etc.

The remuneration policy as above is also available in the website of the company – <http://www.karmaenergy.co/nnrp.html>

## 14. PARTICULARS OF THE EMPLOYEES AND INFORMATION CALLED FOR UNDER SECTION 197 OF THE COMPANIES ACT, 2013 AND THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits and other Disclosures pertaining to remuneration are set out in the said rules are provided in the Annual Report as Annexure-5.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

## 15. DISCLOSURE OF PARTICULARS

Pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 the Report on the matters of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as follows :

As the Company is in the field of Wind Farm development and not manufacturing, the relevant provisions relating to conservation of technology absorption are not applicable. However as the Company is in the field of wind farm development and promoting green energy, it is directly contributing to reducing dependency on fossil fuel and thus conserving the fossil fuel.

The earnings and outgo in foreign exchange was NIL during the year.

## 16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S.186 OF THE COMPANIES ACT, 2013

As the Company is in the business of Wind Power Generation an infrastructure activity as per Schedule VI of the Companies Act, 2013, provisions of Section 186 is not applicable.

## 17. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

The transactions with the Related Parties are at arm's length basis and these transactions are not of material in nature as per Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014. The related party transactions are placed before the Audit Committee as also the Board for approval.

## 18. POLICY ON RELATED PARTY TRANSACTIONS

The Company has framed a policy on related party transactions and the same has been hosted on its website <http://www.karmaenergy.co/rptp.html>. The policy includes the specific transactions requiring prior approval of the Audit Committee, the Board of Directors, Special Resolution by members at General Meeting, determining the materiality of the transaction with the related party both under Companies Act and Listing Regulations, and also the procedures to be followed in complying with the statutory provisions in respect of related party transaction, if any.

## 19. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY FOR THE COMPANY

The Company has framed its Risk Management Policy detailing the identification of elements of risks, monitoring and mitigation of the risks. The company has also constituted a Risk Management Committee for the above purpose. The company has laid down detailed process in planning, decision making, organizing and controlling.

The Risk Management Policy has been hosted on the company's website <http://www.karmaenergy.co/rmp.html>

**20. CORPORATE SOCIAL RESPONSIBILITY OF THE COMPANY**  
The statutory requirement of complying with Corporate Social Responsibility of the Companies Act, 2013 is not applicable to the company during F.Y. 2016-17.

**21. ESTABLISHMENT OF VIGIL MECHANISM**

The company has in place a vigil mechanism pursuant to which a Whistle Blower Policy is also in vogue. The whistle blower policy covering all employees and directors of the company is hosted on the company's website <http://www.karmaenergy.co/wbp.html>

**22. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF REPORT**

There are no material changes or commitments affecting the financial position of the company which have occurred between the end of the financial year and the date of this Report.

**23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

No significant or material orders have been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**24. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL CONTROLS WITH RESPECT TO THE FINANCIAL STATEMENTS**

The company has an internal control system commensurate with the size, scale and nature of its operation. The internal controls ensure that all its assets are properly safeguarded and protected against loss from unauthorized use or disposal, all transactions are authorized, recorded and reported correctly. The company has also an internal audit system for periodical audit of the internal control systems of the company.

**25. ISSUE OF NEW EQUITY SHARES DURING THE YEAR**

The company has not issued any new equity shares during the year.

**26. AUDITORS**

In the Seventh Annual General Meeting (AGM) of the company held on September 11, 2014 Messrs. U.B. Sura & Co. Chartered Accountants and Messrs. Shyam C. Agrawal & Co., Chartered Accountants were appointed as Joint Statutory Auditors of the Company for a period of three years to hold office from the conclusion of the Seventh AGM until the conclusion of the Tenth AGM of the company, which is the ensuing AGM. Consequently pursuant to the provisions under the Companies Act for Rotation of Auditors, the company is required to appoint a new Auditor for a term of five years pursuant to Section 139(2) of the Act. As per the evaluation by the Audit Committee and the Board of Directors, the Board recommends appointment of M/s. Batliboi & Purohit, Chartered Accountants (Firm Registration No. 101048W) as Statutory Auditors of the Company for a term of five years from the ensuing Annual General Meeting subject to approval of the shareholders at the forthcoming AGM. Such appointment is required to be ratified by the shareholders each year at the respective AGM.

**27. SECRETARIAL AUDIT**

Pursuant to requirement of section 204 of the Companies Act, 2013, the company had appointed Shri Martinho Ferraro – Practicing Company Secretary (COP 5676) as Secretarial Auditor for financial year 2016-17 and whose report of 16.05.2017 is attached as Annexure-2. There are no adverse observations made by the Auditor.

**28. AUDITORS' REPORT**

The observations of the Auditors in their report, read with notes annexed to the accounts, are self-explanatory.

**29. CORPORATE GOVERNANCE**

Your Company has complied with Corporate Governance requirement as per the Clause 49 of the Listing Agreement. A report on Corporate Governance forms part of this report as Annexure-3. A certificate from the Statutory Auditors of the Company confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

**30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report as required under the Listing Agreement with the Stock Exchanges is attached to this Report as Annexure-4.

**31. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) Act, 2013.**

"The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year no complaints have been received.

**32. ACKNOWLEDGEMENT**

Your Directors express their grateful appreciation for the assistance and co-operation received from Government Authorities, Bankers, Lending Institutions, Suppliers and Customers during the year under review.

Your Directors place on record their appreciation for the committed services of the executives and staff of the Company.

For and on behalf of the Board

Place : Mumbai  
Date : 26th May, 2017

**Chetan D. Mehra**  
Vice Chairman

## Annexure - I

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

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

#### REGISTRATION AND OTHER DETAILS

vii) Name, Address and Contact details of Registrar and Transfer Agent		Bigshare Services Private Limited 1st Floor, Bharat Tin Works Bldg., Opp. Vasant Oasis Apartment, Marol Maroshi Road, Andheri (E), Mumbai – 400059. Tel : 62638200, Email: investor@bigshareonline.com	
i) CIN	: L31101MH2007PLC168823		
ii) Registration Date	: 15th March 2007		
iii) Name of the Company	: Karma Energy Limited		
iv) Category / Sub-Category of the Company	: Company Limited by Shares		
v) Address of the Registered office and contact details	: 214, Empire House, Dr. D. N. Road, Ent. A. K. Nayak Marg, Fort, Mumbai – 400 001.  Tel : 022-22071501,  Email : investorhelpdesk@weizmann.co.in		
vi) Whether Listed Company	: Yes		

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Power Generation from Renewable energy sources	35106	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	NAME OF THE COMPANY	CIN/GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1.	Baledh Energy Projects Ltd	U40100MH2003PLC139699	Associate	35.18%	2(6)
2.	Batot Hydro Power Ltd	U51909MH2002PLC135840	Subsidiary	51.66%	2(87)
3.	Brahmanvel Energy Ltd	U51909MH2003PLC139998	Subsidiary	51%	2(87)
4.	Greenweiz Projects Ltd	U65920MH1993PLC071301	Subsidiary	100 %	2(87)
5.	Khandesh Energy Projects Ltd	U45200MH2003PLC141221	Subsidiary	51%	2(87)
6.	Vajharpada Energy Ltd	U51909MH2002PLC136709	Subsidiary	100 %	2(87)
7.	Weizmann Corporate Services Ltd	U70102MH1982PLC028472	Associate	31.92%	2(6)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>(1) Indian</b>									
(a) Individual /									
HUF	2946919	-	-	25.47	3020155	-	3020155	26.10	0.63
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt.	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	5686083	-	5686083	49.15	5623891	-	5623891	48.61	(0.54)
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	<b>8633002</b>	<b>-</b>	<b>8633002</b>	<b>74.62</b>	<b>8644046</b>	<b>-</b>	<b>8644046</b>	<b>74.71</b>	<b>0.09</b>
<b>(2) Foreign</b>									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-



(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	8633002	-	8633002	74.62	8644046	-	8644046	74.71	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	66	133	199	0.001	66	133	199	0.001	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Co's	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	66	133	199	0.001	66	133	199	0.001	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	99441	2634	102075	0.88	406470	2634	409104	3.54	2.66
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 Lakh	1050943	451883	1502826	12.99	1172052	446112	1618164	13.99	1.00
ii) Individual shareholders holding nominal share capital in excess of Rs.2 Lakh	1177840	47270	1225110	10.59	309412	47270	356682	3.08	(7.51)
c) Others (specify)									
i) NRI's	31829	69345	101174	0.87	43977	67804	111781	0.97	0.10
ii) Demat Transit / Clearing Member	5532	-	5532	0.05	429942	-	429942	3.72	3.67
<b>Sub-total (B)(2):-</b>	2365585	571132	2936717	25.38	2361853	563820	2925673	25.29	(0.09)
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	2365651	571265	2936916	25.38	2351301	585615	2925872	25.29	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	10998653	571265	11569918	100.00	10995347	585615	11569918	100.00	-

## ii) Shareholding of promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	
1.	Chetan Mehra	1464011	12.65	-	370247	3.20	-	(9.45)
2.	Dharmendra Siraj	337408	2.92	-	828345	7.16	-	4.24
3.	Anju Siraj	828734	7.16	-	988097	8.54	-	1.38
4.	Radhika Mehra	80015	0.69	-	796715	6.89	-	6.20
5.	Sweta Siraj Mehta	116629	1.01	-	16629	0.14	-	(0.87)
6.	Isha Siraj Kedia	116629	1.01	-	16629	0.14	-	(0.87)
7.	Arun Mehra	133	0.001	-	133	0.001	-	-
8.	Nirmal D. Mehra	3360	0.03	-	3360	0.03	-	-
9.	Sitex India Pvt. Ltd	256617	2.21	-	256617	2.21	-	-
10.	Windia Infrastructure Finance Ltd	1000	0.01	-	1000	0.01	-	-
11.	Hansneel Impex Pvt. Ltd	1001	0.01	-	1001	0.01	-	-
12.	Ram Krishna Iron Works Pvt. Ltd	1000	0.01	-	1000	0.01	-	-
13.	Kotta Enterprises Ltd	2294026	19.83	-	2294026	19.83	-	-
14.	Purvaja Projects Ltd	1000	0.01	-	1000	0.01	-	-
15.	Prabhanjan Multitrade Pvt. Ltd	1474104	12.74	-	1023804	8.85	-	(3.89)
16.	Greenweiz Projects Ltd	1000	0.01	-	1000	0.01	-	-
17.	Avinaya Resources Ltd	1000	0.01	-	1000	0.01	-	-
18.	Tapi Energy Projects Ltd	1000	0.01	-	1000	0.01	-	-
19.	Weizmann Ltd	500	0.004	-	500	0.004	-	-
20.	Weizmann Forex Ltd	1000	0.008	-	1000	0.008	-	-
21	Inspeed Power Pvt. Ltd	1652835	14.29	-	2040943	17.64	-	3.35
	<b>Total</b>	<b>8633002</b>	<b>74.62</b>	<b>-</b>	<b>8644046</b>	<b>74.71</b>	<b>-</b>	<b>0.09</b>

## iii) Change in Promoter's Shareholding (please specify, if there is no change)

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8633002	74.62	8644046	74.71
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	11044	0.09	-	-
	At the End of the year	8644046	74.71	8644046	74.71

**iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl.No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Mohanchand H	247425	2.13	120500	1.04
2.	Kanchan Sunil Singhania	57908	0.50	57908	0.50
3.	Meghna Pratik Doshi	247425	2.13	47425	0.40
4.	Mansi Hitesh Siraj	-	-	30070	0.25
5.	Maneka Hitesh Siraj	-	-	30070	0.25
6.	Maneka S	23635	0.20	23635	0.20
7.	Mansi S	23635	0.20	23635	0.20
8.	Pansy Dinshaw Mehta	23439	0.20	23439	0.20
9.	Harsh Garg	17000	0.14	17000	0.14
10.	Kalyani Kumarbhai Sanatan	-	-	11800	0.10

**v) Shareholding of Directors and Key Managerial Personnel :**

Sl.No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	Chetan Mehra	1464011	12.65	1464011	12.65
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	(1093764)	9.45	-	-
	At the end of the year	370247	3.20	370247	3.20
2.	Dharmendra Siraj	337408	2.92	337408	2.92
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	490937	4.24	-	-
	At the end of the year	828345	7.16	828345	7.16
3.	Neelkamal Siraj	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
4.	Vishnu P. Kamath	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

5.	Ganesh N. Kamath	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
6.	Vinesh N Davda	207366	1.79	1333	0.01
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	(206033)	(1.78)	-	-
	At the end of the year	1333	0.01	1333	0.01
7.	Kishore M. Vussonji	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
8.	Upkarsingh Kohli	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
9.	Smita V. Davda	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
10.	T V Subramanian – CFO & Co. Secretary	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-



## 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	32,90,87,098.93	40,32,09,673.00	-	73,22,96,771.93
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	17,93,131.00	-	-	17,93,131.00
<b>Total (i+ii+iii)</b>	<b>33,08,80,229.93</b>	<b>40,32,09,673.00</b>	<b>-</b>	<b>73,40,89,902.93</b>
Change in Indebtedness during the financial year				
• Addition	-	33,06,34,240.00	-	33,06,34,240.00
• Reduction	12,09,26,022.30	34,58,90,000.00	-	46,68,16,022.30
Net Change	-12,09,26,022.30	-1,52,55,760.00	-	13,61,81,782.30
Indebtedness at the end of the financial year				
I) Principal Amount	20,11,55,311.63	38,79,53,913.00	-	58,91,09,224.69
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	38,17,887.00	-	-	38,17,887.00
<b>Total (i+ii+iii)</b>	<b>20,49,73,198.63</b>	<b>38,79,53,913.00</b>	<b>-</b>	<b>59,29,27,111.63</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and / or Manager :

(Rs. in Lakh)

Sl. No.	Particulars of Remuneration	Name of MD/WTM/Manager	Total Amount
		G. N. Kamath	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	18.48	18.48
	(b) Value of Perquisite u/s 17(2) Income Tax Act, 1961	2.49	2.49
	(c) Profit in lieu of salary under section 17(3) Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - Others, specify.	-	-
5.	Others, please specify		
	Total (A)	20.97	20.97
	Ceiling as per the Act	42.00	42.00

**B. Remuneration to other directors :**
**(Rs. in Lakh)**

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Vishnu Kamath	Kishore Vussonji	Upkarsingh Kohli			
1.	Independent Directors						
	• Fee for attending board / committee meetings	0.40	0.31	0.10			0.81
	• Commission	-	-	-			-
	• Others, please specify	-	-	-			-
	<b>Total (1)</b>	<b>0.40</b>	<b>0.31</b>	<b>0.10</b>			<b>0.81</b>
2.	Other Non-Executive Directors	Vinesh Davda	Chetan Mehra	Dharmendra Siraj	Smita Davda	Neelkamal Siraj	Total Amount
	• Fee for attending board committee meetings	0.21	0.17	0.32	0.15	0.20	1.05
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	<b>Total (2)</b>	<b>0.21</b>	<b>0.17</b>	<b>0.32</b>	<b>0.15</b>	<b>0.20</b>	<b>1.05</b>
	<b>Total (B) = (1+2)</b>	<b>0.61</b>	<b>0.48</b>	<b>0.42</b>	<b>0.20</b>	<b>0.15</b>	<b>1.05</b>
	Total Managerial Remuneration	N.A.	N.A.	N.A.	N.A.	N.A.	
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.	

**C. Remuneration to Key Managerial Personnel Other than MD/Manager / WTD**
**(Rs. in Lakh)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary & CFO	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	111.64	111.64
	(b) Value of Perquisite u/s 17(2) Income Tax Act, 1961	-	5.94	5.94
	(c) Profit in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-
	Stock Option	-	-	-
	Sweat Equity	-	-	-
	Commission			
	- as % of profit	-	-	-
	- Others, specify.	-	-	-
	Others, please specify	-	-	-
	<b>Total</b>	<b>-</b>	<b>117.58</b>	<b>117.58</b>

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / imposed Punishment / Compounding fees	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

## ANNEXURE - II

### REPORT ON CORPORATE GOVERNANCE

#### 1. Company's Philosophy on Corporate Governance Code

Corporate Governance refers to a set of laws, regulations and good practices that enable an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders. Your Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and the Company always seeks to ensure that its performance goals are met with integrity. The Company has established systems and procedures to ensure that its Board of Directors are well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders value. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz. integrity, equity, transparency, fairness, disclosure, accountability and commitment to values. Your Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the company continuously endeavours to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the company forward.

#### 2. Board of Directors

##### I Composition and size of the Board

The Company is being managed by the Managing Director under the supervision of the Board of Directors ("the Board"). The strength of the Board as at March 31, 2017 is Nine. Since the Company has a Non Executive Chairman who is part of the promoter group of the company, the Board meets the stipulated requirement of at least one-third of the Board comprising of Independent Directors.

The composition of and the category of directors on the Board of the Company as at March 31, 2017 were as under.

Category	Particulars of the Directors
Non Executive - Non Independent	Shri Dharmendra G. Siraj - Chairman Shri Chetan D. Mehra Shri Neelkamal V. Siraj Shri Vinesh N. Davda
Non Executive - Independent	Shri Vishnu P. Kamath Shri Upkarsingh Kohli Shri Kishore N. Vussonji
Non Executive Non Independent Woman Director	Smt. Smita V. Davda
Executive	Shri Ganesh N. Kamath – Managing Director

All the Directors other than Independent Directors are liable to retire by rotation.

##### II Conduct of Board Proceedings

The day to day activities of the Company are conducted by the executives of the Company under the direction of the Managing Director and the overall supervision of the Board. During the financial year 2016-2017 the Board held four meetings on May 25, 2016, August 09, 2016, November 14, 2016 and February 09, 2017

The Board periodically reviews compliance report of all laws applicable to the Company and take steps to rectify deviations, if any. The Board also reviews and discusses the performance of the company, its future plans, strategies and other pertinent issues relating to the Company

##### III Attendance of Directors

Attendance of Directors at the Board Meetings held during 2016-2017 and the last AGM held on September 2, 2016.

Directors	Meetings held during the tenure of Directors	Meetings Attendance	Attended at last AGM	No. of other Directorship held #	No. of other Committee Membership held
Shri D G Siraj	4	3	Yes	10	4
Shri C D Mehra	4	3	Yes	8	1
Shri N V Siraj	4	4	Yes	8	-
Shri V P Kamath	4	4	No	9	7
Shri G N Kamath	4	4	Yes	9	-
Shri U S Kohli	4	2	No	2	-
Shri K M. Vussonji	4	3	Yes	5	5
Shri V. N. Davda	4	3	No	9	3
Smt. S V Davda	4	3	No	2	-

A sitting fee of Rs.5000/- per meeting is paid to each of the Directors (except Managing Director) for attending the Board Meeting.

In accordance with Regulation 26(1)(b) of SEBI (LODR) Regulations, 2015, Memberships / Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (excluding Karma Energy Limited) have been considered.

# (excluding private limited, foreign company and section 8 company)

Shri Vinesh N. Davda and Smt. Smita V. Davda are husband and wife.

None of the Directors hold directorship in more than 10 public limited companies.

No director holds membership of more than 10 committees of board nor is any director chairman of more than 5 committees of board.

Pursuant to section 165 of the Companies Act, 2013, the maximum number of directorships in companies that could be held by an individual shall be not more than 20 companies out of which maximum number of directorships in public limited companies shall not exceed 10.

#### Details of Shareholding of Non-Executive Directors

Sr. No.	Name of Directors	No. of shares held as on 31st March, 2015
1.	Shri Dharmendra G. Siraj	8,28,345
2.	Shri Chetan D. Mehra	3,70,247
3.	Shri Neelkamal V. Siraj	Nil
4.	Shri Vishnu P. Kamath	Nil
5.	Shri Kishore M. Vussonji	Nil
6.	Shri Upkar Singh Kohli	Nil
7.	Shri Vinesh N. Davda	1,333
8.	Smt. Smita V. Davda	Nil

### 3. Audit Committee

The Audit Committee inter alia, provides assurance to the Board on the adequacy of the internal control systems, financial disclosures and ensures that generally accepted accounting principles are observed by the Company. It also provides guidance and liaise with the Cost Auditor and the Statutory Auditors of the Company. The terms of reference of the Audit Committee are in conformity with the requirements of SEBI (LODR) Regulations, 2015 read in conjunction with Section 177 of the Companies Act, 2013. The Audit Committee presently comprises of Shri Vishnu P. Kamath as the Chairman, Shri Dharmendra G. Siraj and Shri Kishore M. Vussonji as members of the Committee. The Managing Director, Internal Auditor and Statutory Auditors are invited to attend the meetings of the Audit Committee. The Audit committee discharges such duties and functions indicated in SEBI (LODR) Regulations, 2015 and also such other functions as may be specifically delegated to it by the Board from time to time. The Audit Committee held its meeting on May 25, 2016, August 09, 2016, November 14, 2016 and February 09, 2017.

The Company Secretary acts as Secretary to the Committee.

The composition of the Audit Committee and the attendance of the Members in the meetings are as under :

Name	Category	Number of Meetings during the year 2014-15	
		Held	Attended
Shri V. P. Kamath	Non-Executive Independent	4	4
Shri D. G. Siraj	Non-Executive	4	3
Shri K.M.Vussonji	Non-Executive Independent	4	4

During the year, the Company paid sitting fees of Rs.3,000/- per meeting to the each of the Non-Executive Directors for attending Audit Committee meeting.

### 4. Nomination & Remuneration Committee

The Nomination & Remuneration Committee for appointment & remuneration of executive Directors has been functioning with Shri. Kishore M. Vussonji as Chairman. The Committee comprises of two Independent Directors and a Non-executive Director.

Name	Category	Number of Meetings during the year 2016-17	
		Held	Attended
Shri K.M.Vussonji	Non-Executive Independent	1	1
Shri D G. Siraj	Non-Executive	1	1
Shri V. P. Kamath	Non-Executive Independent	1	1

During the year, the Company paid sitting fees of Rs.2,000/- per meeting to each of the Non-Executive Directors for attending Nomination and Remuneration Committee meeting.

#### POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

##### Criteria of selection of Non Executive Directors

The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively. The N&R Committee shall ensure that the candidate identified for appointment as a Director has no disqualifications for appointment under Section 164 of the Companies Act, 2013.

The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- Qualification, expertise and experience of the Directors in their respective fields;
- Personal, Professional or business standing;
- Diversity of the Board.

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

##### Remuneration

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees.

A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

CEO & Managing Director - Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R



Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

#### Remuneration for the CEO & Managing Director

At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO & Managing Director comprises only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

#### Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the N&R Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review, keep trend in the industry in mind, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

The details of remuneration paid to Managing Director from 1st April, 2016 to 31st March, 2017 is given below

Name of the Managing Director	Salary (Rs. in Lacs)	Commission	Perquisites and Allowances (Rs. in Lacs)	Retiral Benefits* (Rs. in Lacs)
Ganesh N. Kamath	17.28	-	4.56	2.07

Notes : The agreement with Managing Director is for a period of 1 year from 1st December, 2016.

\* Exclusive of provision for leave encashment and contribution to the approved group gratuity fund, which are actuarially determined on an overall basis.

#### 5. Stakeholders Relationship Committee

The Company has in place a Stakeholders Relationship Committee in accordance with the requirements of SEBI (LODR) Regulations, 2015. The Shareholders / Investors Grievance Committee comprise of Shri Dharmendra G. Siraj as the Chairman, Shri V. P. Kamath and Shri Vinesh N. Davda as members of the Committee. The said Committee looks into redressing investors' complaints pertaining to transfer/ transmission of shares, non- receipt of dividend/ annual report of the Company. The Committee met twice during the financial year on 14th November, 2016 and 09th February, 2017 respectively. Shri T. V. Subramanian, Company Secretary acts as the Company's Compliance Officer.

The composition of the Stakeholders Relationship Committee and the details of the meetings attended by its members are given below :

Name	Category	Number of Meetings during the year 2016-17	
		Held	Attended
Shri V. P. Kamath	Non-Executive Independent	2	2
Shri D. G. Siraj	Non-Executive	2	2
Shri V. N. Davda	Non-Executive	2	2

There were 2 complaints received from the shareholders during the financial year ended 31st March, 2017 and both stood resolved.

#### 6. Risk Management Committee

The company has formed a business risk evaluation / Management Committee consisting of the following members.

Name	Category	Number of Meetings during the year 2016-17	
		Held	Attended
Shri D. G. Siraj	Non-Executive	1	1
Shri C. D. Mehra	Non Executive	1	1
Shri V. N. Davda	Non-Executive	1	1

During the year, the Company paid sitting fees of Rs.2,000/- per meeting to each of the Non-Executive Directors for attending Risk Management Committee meeting.

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise of

1. Oversight of risk management performed by the executive management;
2. Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
3. Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
4. Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
5. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan.

#### 7. Independent Directors Meeting

During the year under review, the Independent Directors met on 09th February, 2017, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

Management discussion and analysis report forms part of this Annual Report

#### 8. Familiarisation Programme arranged for Independent Directors

The Company as required under Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI Listing Regulations has made arrangement to provide suitable training to independent directors, to familiarize them with the company, their roles, rights, responsibilities in the Company considering the nature of the industry in which the company operates, business model of the Company etc. The familiarization process for independent Director is uploaded on the website of the Company [www.karmaenergy.co](http://www.karmaenergy.co)

## 9. Non-executive Directors' compensation and disclosures

No significant or material transactions have been made with the Non-Executive Directors vis-à-vis the Company. No remuneration is paid to Non-Executive Directors vis-à-vis the Company. No Remuneration is paid to Non-Executive Directors except for sitting fees for the Board and Committee Meetings attended.

## 10. General Body Meetings

Details of the last three Annual General Meetings (AGMs)

Date & Year	Time	Location where AGM held in the last 3 years.
02/09/2016; 2015-2016	3.45 p.m	Maharashtra Chamber of Commerce, Oricon House, 6th Floor, Maharashtra Chamber of Commerce path, Kalaghoda, Mumbai – 400 001
14/09/2015; 2014-2015	3.00 p.m	Maharashtra Chamber of Commerce, Oricon House, 6th Floor, Maharashtra Chamber of Commerce path, Kalaghoda, Mumbai – 400 001
11/09/2014; 2013-2014	3.00 p.m	Maharashtra Chamber of Commerce, Oricon House, 6th Floor, Maharashtra Chamber of Commerce path, Kalaghoda, Mumbai – 400 001

Whether resolution was put through a Postal Ballot last year: No

## 11. Disclosures

### Basis of Related party transactions

During the year, the Company had no materially significant related party transaction, which is considered to have potential conflict with the interests of the Company at large. Related party transactions as required to be complied under Accounting Standard 18 (AS-18) are furnished under Note no 8 of the Notes to Accounts attached to the annual accounts for the financial year ended 31st March, 2017. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions and during the year there were no material transactions with related parties. The policy is also available on the website of the Company [www.karmaenergy.co](http://www.karmaenergy.co)

### Non Compliance / Strictures / Penalties Imposed

There has neither been any non compliance of any legal provision nor any penalty, stricture imposed by the Stock Exchange or SEBI or any other authorities on any matters related to Capital Market during last three years.

### Disclosure of Accounting treatment

Your Company has followed all relevant Accounting standards while preparing the Financial statements.

### Insider Trading

The Company has the insider Trading Code, framed by the Management, in accordance with the SEBI Regulations. The Code is posted on the website of the Company [www.karmaenergy.co](http://www.karmaenergy.co)

### Whistle Blower Policy

The Company has adopted a whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior. The said policy has been also put on the website of the Company at [www.karmaenergy.co](http://www.karmaenergy.co)

### Materiality of Disclosures Policy on Archival of Documents and Policy for Preservation of Documents

The Company has also adopted policy on Determination of

Materiality for Disclosures, Policy on Archival of Documents and Policy for Preservation of Documents. The said policy has also been put on the website of the Company at [www.karmaenergy.co](http://www.karmaenergy.co)

### Risk Management

Risk Management and evaluation is an ongoing process within the organization. Your Company has a Risk Management Policy and it is periodically reviewed by the Board of Directors.

### Directors seeking appointment / re-appointment

The Company has provided the details of Directors seeking appointment / reappointment in the notice of Annual General Meeting provided with Annual Report, Quarterly Financial Results and shareholding patterns are available on website of the Company [www.karmaenergy.co](http://www.karmaenergy.co)

## 12. Code of Conduct

The Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company [www.karmaenergy.co](http://www.karmaenergy.co). The updated Code incorporates duties of Independent Directors. Whistle Blower Policy is also in place which has been posted on the website of the company [www.karmaenergy.co](http://www.karmaenergy.co)

For the year under review, all directors and senior management of the Company has confirmed their adherence to the provisions of the said code.

### Declaration as required under Regulation 26(3) read with Schedule V of SEBI (LODR) Regulation 26(3) read with Schedule V of SEBI (LODR) Regulations, 2015.

We confirm that the Board members and Senior Management of the Company have confirmed compliance with the code of conduct, as applicable to them, for the year ended 31st March, 2017.

Date : 26th May, 2017  
Mumbai

Sd/-  
Ganesh N. Kamath  
Managing Director

### Code of Conduct for prevention of Insider Trading

Karma Energy Ltd has a Code of Conduct for prevention of Insider Trading in shares and Securities of the Company for its Directors and Designated employees.

## 14. Subsidiary Companies

Batot Hydro Power Ltd is a material non-listed Indian Subsidiary company in terms of SEBI (LODR) Regulations, 2015. Shri Vishnu P. Kamath – Independent Director is a director on the board of Batot Hydro Power Ltd.

## 15. Means of Communication

Half yearly report sent to each household of

Shareholders - No

Quarterly results usually published in (Proposed) - Mint / Financial Express (English daily)  
- Tarun Bharat (Marathi daily)

Any website where displayed - [www.karmaenergy.co](http://www.karmaenergy.co)  
[www.nseindia.com](http://www.nseindia.com)  
[www.bseindia.com](http://www.bseindia.com)

Whether any advertisement also displayed official news releases and presentations made to institutions or investors / analysts - No presentation made

Whether management discussions and analysis forms part of Annual Report - Yes  
Whether shareholders information section forms part of Annual Report - Yes

## 16. General Shareholder Information

### a) 10th Annual General Meeting- Day, Date, Time and Venue

Day	Date	Time	Venue
Wednesday	23/08/2017	3.45 p.m.	Maharashtra Chamber of Commerce, Oricon House, 6th Floor, Maharashtra Chamber of Commerce path, Kalaghoda, Mumbai – 400 001

### b) Financial Calendar

Financial Year	: 1st April, 2017 to 31st March 2018
Adoption of Quarterly Results for the quarter ending	:
June, 2017	: August, 2017
September, 2017	: November, 2017
December, 2017	: February, 2018
March, 2018	: May, 2018
Book Closure Date	: 16th August, 2017
Dividend Payment	: Not Applicable

### c) Listing on Stock Exchanges : BSE & NSE

d) Stock Exchange Codes :	
BSE Ltd.	: 533451
National Stock Exchange of India Ltd.	: KARMAENG
ISIN NO.	: INE725L01011

### e) Market Price Data/Performance:

Month	BSE		INDEX-SENSEX	
	High (Rs.)	Low (Rs.)	High	Low
April, 2016	20.50	17.00	26100.54	24523.20
May, 2016	19.30	15.10	26837.20	25057.93
June, 2016	17.90	15.55	27105.41	25911.33
July, 2016	20.90	15.85	28240.20	27034.14
August, 2016	25.95	16.50	28532.25	27627.97
September, 2016	23.50	17.60	29077.28	27716.78
October, 2016	44.30	20.00	28477.65	27488.30
November, 2016	41.50	28.40	28029.80	25717.93
December, 2016	60.00	37.00	26803.76	25753.74
January, 2017	57.50	47.75	27980.39	26447.06
February, 2017	74.85	43.10	27590.10	28743.32
March, 2017	45.90	39.85	28716.21	29620.50

Month	NSE		NIFTY MIDCAP FIFTY	
	High (Rs.)	Low (Rs.)	High	Low
April, 2016	20.80	16.20	3410.55	3131.20
May, 2016	19.65	15.05	3396.20	3229.90
June, 2016	19.30	15.00	3499.40	3236.40
July, 2016	18.45	15.05	3697.08	3509.40
August, 2016	25.80	16.65	3914.20	3602.20
September, 2016	25.30	19.00	4085.60	3821.55
October, 2016	44.50	19.70	4170.85	3991.90
November, 2016	40.30	29.55	4145.70	3513.40
December, 2016	57.76	36.00	3789.05	3498.60
January, 2017	58.95	47.10	3962.30	3691.45
February, 2017	72.35	42.55	4200.65	3853.35
March, 2017	82.65	40.00	4383.65	4113.25

f) **Registrar & Transfer Agent :** Bigshare Services Pvt. Ltd.  
1st Floor, Bharat Tin Works Bldg., Opp. Vasant Oasis Apts., Marol Maroshi Road, Andheri (E), Mumbai- 400 059  
Tel: 62638200, Fax: 62638299  
Email: info@bigshareonline.com  
Website: www.bigshareonline.com

### g) Share Transfer System :

With a view to expedite the process of share transfer, the Board of Directors has delegated the powers of share transfers to the Sub-Committee of Board of Directors. Shares lodged in physical form with the Company / Registrar & Share Transfer Agent are transferred expeditiously. The confirmation in respect of the request for dematerialisation of shares is sent to the respective depositories i.e. NSDL and CDSL after duly transferred.

### h) Dematerialisation of Shares and Liquidity of Shares:

The Shares of the Company are permitted for trading in dematerialisation form only. The Company's shares are available for trading in the depository system of both NSDL and CDSL. 1,10,05,965 Equity Shares representing 95.13 % of the share capital of the Company stands dematerialised as on 31st March, 2017. The Shares of the Company are included under B group at the Bombay Stock Exchange Ltd. The shares are also traded at National Stock Exchange of India Ltd.

### i) Shareholding Pattern as on 31st March 2017 :

Sr. No	Category	No. of Equity Shares	Percentage of Shareholding
<b>A</b>	<b>Promoters Holding</b>		
	Indian Promoters	8644046	74.71
<b>B</b>	<b>Non Promoter Holding</b>		
a	Mutual Funds & UTI	Nil	Nil
b	Banks, Financial Institutions Insurance Companies (Central / State Govt. Institutions/ Non Government Institutions)	199 Nil	0.000 Nil
c	FIs	Nil	Nil
<b>C</b>	<b>Others</b>		
a.	Private Corporate Bodies	409104	3.54
b.	Indian Public	1974846	17.07
c.	NRIs/OCBs	111781	0.97
d.	Any other (Demat Transit)	429942	3.72
	<b>GRAND TOTAL</b>	<b>11569918</b>	<b>100.00</b>

### j) Distribution of Shareholding as on 31st March 2017:

Range (In Rs)	Total Holders	Total Holdings in Rupees
1 – 5000	8263	8770290
5001-10000	365	2692620
10001 – 20000	151	2101450
20001 – 30000	35	836570
30001 - 40000	18	639880
40001 – 50000	19	886530
50001 – 100000	21	1513180
100001 – 999999999	31	98258660
<b>Total</b>	<b>8903</b>	<b>115699180</b>

k) Outstanding GDR's / ADR's /- Warrants or any Convertible instruments, conversion date and Likely impact on equity

Not Applicable

**Registrar & Share Transfer Agent**

- Bigshare Services Pvt. Ltd.,  
1st Floor, Bharat Tin Works  
Bldg., Opp. Vasant Oasis  
Apts., Marol Maroshi  
Road, Andheri (E),  
Mumbai- 400 059  
Tel : 62638200,  
Fax: 62638299  
Email : info@bigshareonline.com  
Website : www.bigshareonline.com

l) Wind Power Plant Location - Andhra Pradesh - Anantpur,  
Tamilnadu – Kayathar,  
Theni, Tirunelveli,  
Coimbatore  
Maharashtra –  
Beed & Satara

m) Address for Correspondence - Regd. Office  
Empire House,  
214, Dr. D.N.Road, Fort,  
Ent. A.K. Nayak Marg,  
Mumbai - 400 001.  
Tel Nos. 22071501-06  
Fax : 22071514  
Website : www.karmaenergy.co

**n) Dedicated email id for investor complaints**

- investorshelpdesk@weizmann.co.in

## COMPLIANCE CERTIFICATE

**TO  
THE MEMBERS OF  
KARMAENERGY LIMITED**

We have examined the compliance of conditions of Corporate Governance by Karma Energy Limited ("the Company") for the year ended March 31, 2017 as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company with Stock Exchanges.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For U. B. Sura & Co.,  
Chartered Accountants**

**U. B. Sura  
Proprietor  
Membership No: 32026  
FRN 110620W**

**Place: Mumbai,  
Date : May 26, 2017**

**For Shyam C. Agrawal & Co.,  
Chartered Accountants**

**Shyam C. Agrawal  
Proprietor  
Membership No: 31774  
FRN 110243W**



## ANNEXURE - III

### MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

#### BUSINESS REVIEW

##### General Economy

The global economy is in the midst of a decade long slow growth environment characterized by productivity growth crisis. The looming labor shortage in developed economies and skill deficiencies in emerging markets adds further to the challenges in global economic prospect. Global growth lacks demand drivers and potential output is shrinking and at the same time the uncertainty is increasing. The World Bank has predicted only a moderate improvement in global economic growth at about 2.7% as against 2.3% in 2016. The new forecasts indicate that the unconvincing global economic revival following the financial crisis would continue as there is intensified uncertainty post the US Presidential election, Britain on the way to withdraw from Euro Zone, the advocates of free trade for many years now talking about "sons of soil", trade restriction etc.

In the above scenario, India has emerged as the fastest growing major economy in the world as per the Report of Central Statistics Organization (CSO) and International Monetary Fund (IMF). As per the Economic Survey, the Indian economy expected to grow between 6.75 and 7.5 per cent in FY 2017-18. The improvement in India's economic fundamentals has accelerated in the last couple of years as a result of strong government reforms supported by Reserve Bank of India's (RBI) inflation focus.

India's gross domestic product (GDP) grew by 7 per cent year-on-year in last quarter of 2016 which is the strongest among G-20 countries. According to IMF World Economic Outlook Update (January 2017), Indian economy is expected to grow at 7.2 per cent during FY 2016-17 and further accelerate to 7.7 per cent during FY 2017-18.

The Government of India announced demonetization of high denomination bank notes of Rs. 1000 and Rs. 500, with effect from November 9, 2016, in order to eliminate black money and the growing menace of fake Indian currency notes, thereby creating opportunities for improvement in economic growth is having the initial retarding effect on the growth and how long this would continue is a guesstimate of different economists.

In the Union Budget 2017-18, the Central Government's major push of the budget proposals is on growth stimulation, providing relief to the middle class, providing affordable housing, curbing black money, digitalization of the economy, enhancing transparency in political funding and simplifying the tax administration in the country.

##### Company Business

After couple of consecutive drought years, the financial year 2016-17 witnessed good monsoon across India. This apart from stimulating the growth in economy, as far as our company is concerned was a blessing with wind power generation being of a higher order.

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country.

The Ministry of Power has set a target of 1,229.4 billion units (BU) of electricity to be generated in the financial year 2017-18, which is 50 BU's higher than the target for 2016-17. The annual growth rate in renewable energy generation has been estimated to be 27 per cent and 18 per cent for conventional energy.

As far as industry is concerned, the non-extension of generation based incentive and reducing the accelerated depreciation though resulted in record commissioning of wind farms before March 2017, would definitely have a dampening effect on the growth in the coming years. Compounding the above is some state utilities resorting to competitive bidding where tariff is nose diving towards south and thus driving away small and medium sized entities from the wind power sector.

The aggregate capacity of the installed wind farms is about 34.95 MW as at 31.03.2017.

#### OUTLOOK, OPPORTUNITIES AND THREATS

Though the Central Government is going all out to increase the installed capacity in renewable energy in the country, unfortunately the plans and goals are not found percolate to the state level. Utilities in most of the states are facing liquidity crisis with no payments against wind power supplied forthcoming in a timely manner. Added to the woes, Utilities in certain states where company has its wind farm have been litigating on issues which are well settled and thus diverting the attention and focus from carrying on with the business. The

Regulatory issues, the impending competitive bidding being adopted by many states, the slow process of adjudication by the legal system in the country are all having negative effect on the industry in general and our company in particular. Primarily none of the utilities where the company has its wind farm have been very prompt in effecting timely payment or granting timely approvals.

As far as company's wind farm projects are concerned they are situated in state of Tamil Nadu, Andhra Pradesh and Maharashtra. In Tamil Nadu, the wind power from its 8.25 MW wind farm is being sold to the state utility TANGEDCO. However, payment for generation proceeds have been lagging behind by almost ten months.

As far as Andhra Pradesh is concerned, after a long period of litigation of 8 years from 2006, the State Electricity Regulatory Commission APERC issued the order sustaining the tariff at Rs.3.37 per unit. However, the bifurcation of the state in Andhra Pradesh and Telangana effective from 02.06.2014 resulted in a precarious situation on the matter of the state / utility responsible for settling the pending dues. Since all the efforts in requesting, pleading, praying with the authorities failed, the matter has been taken to the Hon'ble High Court of Andhra Pradesh and Telangana for redressal. Further the state utility in Andhra Pradesh has been discriminatory in not allowing actual Plant Load Factor of the company's wind farm in determining the tariff and instead has been extending the low tariff which was offered to another customer whose plant load factor was of higher order. This again has now led to the necessity of filing an appeal before Appellate Tribunal for Electricity. The net result though power generated and fed into the grid, no realization is taking place.

As far as Maharashtra is concerned, after prolonged time taken by MERC to adjudicate an open access matter of 2014-15 which was ultimately in the company's favour but was at the cost of not receiving the generation proceeds for almost 2 to 3 years. This issue now stands resolved with monthly credit being extended by MSEDCL in the bills of the customer and consequently realization of the generation proceeds by the company. Further there has been inordinate delay in releasing the payment against sale of power to MSEDCL in 2015-16 which was ultimately received before the closing of the financial year 2016-17. MSEDCL once again delayed grant of open access for 2016-17 and as a result though wind power has been fed into the grid, the realization of the dues are still eluding as MSEDCL has to give credit in the bills of the customer to whom the supply of power is intended. Fortunately the open access approval for 2017-18 has been received and hence no hiccups expected on this matter in 2017-18.

#### RISKS AND CONCERNS

On Renewable Energy Sector, the lack of clarity in few policies of the states, considerable delays in disposal of petitions and appeals by the judicial authorities, the state utilities demonstrating an unfriendly approach to wind power has been a worrying factor. In fact this has put considerable strain on the cash flows of the company.

Scarce potential land and exorbitant cost for private land required for transferring to the forest authorities as the potential lands are now predominantly in the domain of the forest authorities which further calls for plethora of approvals from basic ground level to the government level have been a decelerating factor in setting up of new projects by small and medium sized entities.

The Management Discussions and Analysis explaining the objectives of the company, the opportunities and threats, the outlook for the future, the risks and concerns have to be read with the meaning of relevant applicable laws and regulations. The actual physical performance may differ materially from those explained hereinabove.

#### INTERNAL CONTROL SYSTEM

The company has a system of internal controls to ensure that all its assets are properly safeguarded and protected against loss from unauthorized use or disposal. Further all the internal control system is practiced by the company to ensure that all transactions are authorized, recorded and reported correctly.

The Company has an Audit Committee of Directors which reviews the adequacy of internal controls.

#### MATERIAL DEVELOPMENT IN HUMAN RESOURCES

The business in which the company is engaged does not call for large manpower resources.

The company has a team of able and experienced professionals. The work culture and value system in the company is designed to provide each employee the adequate space, freedom and guidance to bring out their full potential and provide personal growth opportunities within the organization. The human resource assets have been ably supporting the company despite the issues which the company is facing in its chosen field.

## ANNEXURE - IV

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

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

To,

**THE MEMBERS OF  
KARMA ENERGY LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Karma Energy Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Karma Energy Limited 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Karma Energy Limited ("the Company") for the financial year ended on 31st March, 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;
- (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;
  - (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 (Share Based Employee Benefits) Regulations, 2014; - **Not applicable as the Company has not issued any Employee Stock Option Scheme and Employee Stock Purchase Scheme.**
  - (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; - **Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review.**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable as the Company has not delisted its equity shares from any Stock Exchange during the financial year under review and**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not applicable as the Company has not bought back any of its securities during the financial year under review.**
- (vi) we have also examined the compliances of the provisions of the following other laws applicable specifically to the company wherein we have also relied on the compliance certificates issued by the head of the respective departments in addition to the checks carried out by us:

1. The Electricity Act, 2003

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on our 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 its authorised representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We 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.

**We further report that** during the audit period the Company has:

1. The Company had taken approval of the shareholders through Special Resolution in the Annual General Meeting of the Company held on 02nd September, 2016, to adopt new set of Articles of Association in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.
2. The Company had taken approval of the shareholders through Special Resolution in the Annual General Meeting of the Company held on 02nd September, 2016, for execution of a contract with M/s. Navbharat Potteries Private Limited in which Shri Vinesh N. Davda and Shri Dharmendra G. Siraj, Directors of the Company are interested for sale of part or entire holding in the Subsidiary Company M/s. Baledh Energy Projects Limited.

For **Martinho Ferrao & Associates**  
Company secretaries

**Martinho Ferrao**  
Proprietor  
FCS No. 6221  
C.P. No. 5676

Place: Mumbai  
Dated: 11th May, 2017

## INDEPENDENT AUDITORS' REPORT

**To**  
**The Board of Directors of**  
**Karma Energy Limited**

1. We have audited the accompanying standalone financial statements of KARMA ENERGY LIMITED which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and also the cash flow statement of the company for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

2. The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 with respect to preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standard specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting the 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 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 standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable 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 financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operative effectiveness of such controls. 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 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 standalone financial statements.

### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 and Loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

9. As required by "The Companies (Auditors Report) Order, 2017", issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act (hereinafter referred to as 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 A, a statement on the matters specified in Paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the explanations given to us:
    - i. There were no pending litigations against the company that impacts on its financial position as at March 31, 2017.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 these disclosures are in accordance with the books of accounts maintained by the company.

**For UB Sura & Co.,**  
 Chartered Accountants

**U.B.Sura**  
 Proprietor  
 Membership No: 32026  
 FRN 110620W

Place: Mumbai.  
 Date : 26.05.2017

**For Shyam C. Agrawal & Co.**  
 Chartered Accountants

**S. C. Agrawal**  
 Proprietor  
 Membership No.31774  
 F.R. No. 110243W

## ANNEXURE A TO THE AUDITORS' REPORT

(Referred to in paragraph 9 of the standalone Independent Auditors' Report of even date to the Shareholders of **KARMA ENERGY LIMITED** on the standalone financial statements as of and for the year ended on March 31, 2017)

- (i) (a) In our opinion the Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) Fixed assets of the Company have been physically verified by the management on phase-wise manner during the year under audit. According to the information and explanations given to us no material discrepancies have been noticed on such verification. In our opinion having regard to the size of the company and the nature of its assets the program of verification of fixed assets is reasonable.
- (c) As per the information provided to us, the title deeds of immovable properties are in the name of the company.
- (ii) The inventories have been physically verified during the year by the management. According to the information and explanations provided to us no material discrepancies were noticed on verification between the physical stocks and the book records.
- (iii) In respect of the loans granted by the company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')
  - a. In our opinion the rate of interest and other terms and conditions on which the loans had been granted were not, prima facie, prejudicial to the interest of the Company.
  - b. In our opinion the borrowers have been regular in the payment of the principal and interest as stipulated.
  - c. There are no overdue amounts in respect of the loans granted to body corporate.
- (iv) Based on the information provided to us, records as furnished to us, to the best of our knowledge the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) The company has not accepted any deposit from the public within meaning of Section 73 to 76 of the Act or any relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules 2015 with respect to the deposits accepted from the public.
- (vi) Maintenance of cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act is not applicable to the company during the year under audit
- (vii) (a) As per the records examined by us, explanations provided to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it. According to information and explanations provided to us no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, cess and other material statutory dues were in arrears as on 31st March 2017 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the following disputed amounts in respect of dues of income tax have not been deposited:

Nature of dues	Amount (Rs. in Lac)	Forum where dispute is pending
Income Tax-A.Y. 2013-14	103.86	CIT (Appeals)
Income Tax-A.Y. 2014-15	94.69	CIT (Appeals)

- (viii) According to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institutions or banks as at the balance sheet date.
- (ix) The company has not raised monies by way of Public issue/follow on offer during the year. In our opinion and as per the information provided to us, term loans were applied for the purpose for which said loans were taken.
- (x) During the course of our examination of 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 on or by the company, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, 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) The company is not a "Nidhi Company" and therefore clause (xii) of CARO is not applicable.
- (xiii) As per the information and explanations in respect of Related Parties provided to us, in our opinion the company has generally disclosed Related Party Transactions in accordance with the applicable accounting standard.
- (xiv) Based upon the procedures performed and the information and explanations given by the management, 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 applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For U. B. Sura & Co.,**  
Chartered Accountants

**U. B. Sura**  
Proprietor  
Membership No: 32026  
FRN 110620W

Place: Mumbai,  
Date : May 26, 2017

**For Shyam C. Agrawal & Co.,**  
Chartered Accountants

**Shyam C. Agrawal**  
Proprietor  
Membership No: 31774  
FRN 110243W

**Annexure - B to the Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **KARMA ENERGY LIMITED** ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of 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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 U. B. Sura & Co.,  
Chartered Accountants**

**U. B. Sura  
Proprietor  
Membership No: 32026  
FRN 110620W**

**Place: Mumbai,  
Date : May 26, 2017**

**For Shyam C. Agrawal & Co.,  
Chartered Accountants**

**Shyam C. Agrawal  
Proprietor  
Membership No: 31774  
FRN 110243W**

## BALANCE SHEET AS AT 31.03.2017

₹ in Lakh

Particulars	Note No.	As At 31.03.2017	As At 31.03.2016
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	1,156.99	1,156.99
Reserves and Surplus	2	3,190.40	2,998.45
Money received against share warrants		-	-
		<b>4,347.39</b>	<b>4,155.44</b>
<b>Share application money pending allotment</b>		-	-
<b>Non-Current Liabilities</b>			
Long term borrowings	3	648.32	2,002.02
Deferred tax liabilities (Net)		1,266.13	1,672.86
Other Long term Liabilities		-	-
Long term Provisions	4	23.66	58.39
		<b>1,938.11</b>	<b>3,733.27</b>
<b>Current Liabilities</b>			
Short-term borrowings	5	3,879.54	4,032.10
Trade payables	6	81.91	247.23
Other current liabilities	7	1,504.06	1,385.56
Short-term provisions	8	156.31	111.23
		<b>5,621.82</b>	<b>5,776.12</b>
<b>TOTAL</b>		<b>11,907.32</b>	<b>13,664.83</b>
<b>II ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets			
Tangible assets	9	4,811.14	5,310.27
Intangible assets		-	-
Capital work in-progress		37.45	34.30
Intangible assets under development		-	-
Fixed assets held for sale		-	-
Non-current investments	10	3,801.05	4,420.75
Deferred tax assets (net)		-	-
Long-term loans and advances	11	85.35	85.55
Other non-current assets	12	82.63	203.65
		<b>8,817.62</b>	<b>10,054.52</b>
<b>Current assets</b>			
Current investments		-	-
Inventories		54.47	57.19
Trade receivables	13	2,504.87	3,055.95
Cash and cash equivalents	14	408.85	389.75
Short-term loans and advances	15	121.51	107.42
Other current assets		-	-
		<b>3,089.70</b>	<b>3,610.31</b>
<b>TOTAL</b>		<b>11,907.32</b>	<b>13,664.83</b>

See accompanying notes to the financial statements  
As per our report of even date attached

For and on behalf of the Board

For U. B. Sura & Co.  
Chartered Accountants

For Shyam C. Agrawal & Co.  
Chartered Accountants

C. D. Mehra  
(Vice Chairman)  
DIN - 00022021

G. N. Kamath  
(Managing Director)  
DIN - 00040805

U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 26.05.2017

Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 26.05.2017

T. V. Subramanian  
(Chief Financial Officer  
& Company Secretary)



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2017**
**₹ in Lakh**

Particulars	Note No.	Current Year 31.03.2017	Previous Year 31.03.2016
I Revenue from Operations	16	2,746.95	1,397.41
II Other Income	17	114.55	38.09
<b>III Total Revenue (I + II)</b>		<b>2,861.50</b>	<b>1,435.50</b>
<b>IV Expenses</b>			
Cost of materials consumed		-	-
Purchases of stock-in-trade		-	-
Changes in inventories		-	-
Operating & Maintenance Cost	18	833.18	394.35
Employee benefits expense	19	330.13	321.12
Finance costs	20	776.82	699.45
Depreciation and amortization expense	9	499.83	500.16
Bad Debts Written Off	22.13	349.08	-
Other expenses	21	156.24	184.28
<b>Total Expenses</b>		<b>2,945.28</b>	<b>2,099.36</b>
<b>V Profit / (Loss) before exceptional &amp; extraordinary items and tax (III-IV)</b>		<b>(83.78)</b>	<b>(663.85)</b>
VI Exceptional Items (Net)	22.12	-	(519.59)
<b>VII Profit / (Loss) before extraordinary items and tax (V - VI)</b>		<b>(83.78)</b>	<b>(144.26)</b>
VIII Extraordinary Items		-	-
<b>IX Profit / (Loss) before tax (VII - VIII)</b>		<b>(83.78)</b>	<b>(144.26)</b>
<b>X Tax Expense</b>			
(1) Current tax		131.00	105.00
(2) Prior Year tax		-	-
(3) Deferred tax		(406.73)	(95.04)
(4) MAT Credit entitlement		-	-
XI Profit / (Loss) for the year from continuing operations (IX - X)		<b>191.95</b>	<b>(154.22)</b>
XII Profit / (Loss) from discontinuing operations		-	-
XIII Tax Expense of discontinuing operations		-	-
XIV Profit / (Loss) from discontinuing operations (after tax) (XII - XIII)		-	-
<b>XV Profit / (Loss) for the year (XI + XIV)</b>		<b>191.95</b>	<b>(154.22)</b>
XVI Earnings per equity share:			
1. Basic		1.66	(1.33)
2. Diluted		1.66	(1.33)

See accompanying notes to the financial statements  
As per our report of even date attached

For and on behalf of the Board

**For U. B. Sura & Co.**  
**Chartered Accountants**

**For Shyam C. Agrawal & Co.**  
**Chartered Accountants**

**C. D. Mehra**  
(Vice Chairman)  
DIN - 00022021

**G. N. Kamath**  
(Managing Director)  
DIN - 00040805

**T. V. Subramanian**  
(Chief Financial Officer  
& Company Secretary)

**U. B. Sura**  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 26.05.2017

**Shyam C. Agrawal**  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 26.05.2017

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017

₹ in Lakh

Particulars	31.03.2017		31.03.2016	
<b>Cash Flow from Operating Activities</b>				
Net Profit / (Loss) before extraordinary items and tax		(83.78)		(144.26)
<u>Adjustments for:</u>				
Depreciation and Amortisation	499.83		500.16	
Sundry Debtors Written Off	349.08		-	
		848.91		500.16
<b>Operating profit / (loss) before working capital changes</b>		<b>765.13</b>		<b>355.90</b>
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets</u>				
Inventories	2.72		6.52	
Trade receivables	551.08		(1,498.45)	
Short-term loans and advances	10.83		(22.45)	
Long-term loans and advances	0.20		0.36	
Other current assets	0.01		0.07	
Other non-current assets	(228.06)		-	
Bank Deposits	(43.56)		-	
		293.22		(1,513.95)
		<b>1,058.35</b>		<b>(1,158.05)</b>
<u>Adjustments for increase / (decrease) in operating liabilities</u>				
Trade payables	(165.32)		102.76	
Other current liabilities	118.50		(148.39)	
Short-term provisions	19.08		(1.44)	
Long-term provisions	(34.73)		(12.83)	
		(62.47)		(59.90)
<b>Cash generated from operations</b>		<b>995.88</b>		<b>(1,217.95)</b>
Net Income Tax Paid / (Refund)		(129.92)		(3.20)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>865.96</b>		<b>(1,221.15)</b>
<b>Investments in Fixed Assets</b>				
Capital Expenditure on Fixed Assets	(0.70)		-	
Capital Work In Progress	(3.16)		(1.97)	
Purchase of long-term investments				
- Subsidiaries	805.00		(984.89)	
- Associates	(185.30)		-	
<b>Net cash flow from Investing activities (B)</b>		<b>615.84</b>		<b>(986.86)</b>
		<b>1,481.80</b>		<b>(2,208.01)</b>
<b>Financing</b>				
Increase / (Decrease) in Long Term Borrowings	(1,353.70)		(1,302.68)	
Increase / (Decrease) in Short Term Borrowings	(152.56)		3,509.16	
<b>Net cash flow from Financing activities (C)</b>		<b>(1,506.26)</b>		<b>2,206.48</b>
<b>Total (A + B + C)</b>		<b>(24.46)</b>		<b>(1.53)</b>
Cash and Cash Equivalent at the Beginning of the year	42.70		44.23	
Cash and Cash Equivalent at the End of the year	<b>18.24</b>	<b>(24.46)</b>	<b>42.70</b>	<b>(1.53)</b>
(a) Cash on Hand	0.20		0.28	
(b) Balances with banks in current accounts	18.04		42.41	
	<b>18.24</b>		<b>42.70</b>	

See accompanying notes to the financial statements  
As per our report of even date attached

For and on behalf of the Board

For U. B. Sura & Co.  
Chartered Accountants

For Shyam C. Agrawal & Co.  
Chartered Accountants

C. D. Mehra  
(Vice Chairman)  
DIN - 00022021

G. N. Kamath  
(Managing Director)  
DIN - 00040805

U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 26.05.2017

Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 26.05.2017

T. V. Subramanian  
(Chief Financial Officer  
& Company Secretary)

## Notes forming part of the Financial Statements

₹ in Lakh

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE [1] - SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
1,80,00,000 Equity Shares of Rs.10/-each (Prev.Year 1,80,00,000 Equity Shares of Rs.10/- each)	1,800.00	1,800.00
<b>Issued, Subscribed &amp; Paid-up Share Capital</b>		
1,15,69,918 Equity Shares of Rs.10/- each fully Paid-up (Prev.Year 1,15,69,918 Equity Shares of Rs.10/- each)	1,156.99	1,156.99
<b>Total</b>	<b>1,156.99</b>	<b>1,156.99</b>

### NOTE [1.1]

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Equity Shares

At the beginning of the Year

Issued during the Year

Outstanding at the end of the Year

As at 31.03.2017		As at 31.03.2016	
In Nos.	₹ In Lakh	In Nos.	₹ In Lakh
11569918	1,156.99	11569918	1,156.99
-	-	-	-
11569918	1,156.99	11569918	1,156.99

### NOTE [1.2]

#### Terms / rights attached to equity shares

- The Company has only one class of equity shares having a par value of Rs.10/- per share.
- Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The company has not issued any bonus shares or bought back the equity shares in the last 5 years immediately preceding the balance sheet date.
- With respect to amalgamation of the Transferor company Airodh Financial Services Ltd, the Company allotted 5561 equity shares of Rs.10/- each in the ratio of 1 Equity share of Rs10/- each of the Company for every 18 equity shares of Rs10/- each held by the Equity shareholders in the Transferor company.

### NOTE [1.3]

Details of shares held by each shareholder holding more than

5% shares Equity shares of Rs.10/- fully paid up

Chetan Mehra on behalf of Tanraj Enterprises

Radhika Mehra

Prabhanjan Multitrade Pvt Ltd on behalf of Suhani Power And Finance Corporation

Prabhanjan Multitrade Pvt Ltd

Anju D. Siraj

Inspeed Power Pvt Ltd

Kotta Enterprises Ltd

As at 31.03.2017		As at 31.03.2016	
In Nos	Holding	In Nos	Holding
	(%)		(%)
-	-	1093765	9.45%
796715	6.89%	-	-
-	-	827071	7.15%
647033	5.59%	647033	5.59%
688097	5.95%	828734	7.16%
2040943	17.64%	1652835	14.29%
2294026	19.83%	2294026	19.83%

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE [2] - RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>		
Opening Balance	9.45	9.45
Closing Balance	<b>9.45</b>	<b>9.45</b>
<b>General Reserve</b>		
Opening Balance	3,074.95	3,074.95
Closing Balance	<b>3,074.95</b>	<b>3,074.95</b>
<b>Surplus / (Deficit) in the Statement of Profit &amp; Loss</b>		
Opening Balance	(85.95)	68.27
Add : Profit / (Loss) for the Year	191.95	(154.22)
Closing Balance	<b>106.00</b>	<b>(85.95)</b>
<b>Total</b>	<b>3,190.40</b>	<b>2,998.45</b>
<b>NOTE [3] - LONG TERM BORROWINGS</b>		
<b>Term Loans</b>		
<b>Secured</b>		
From Banks	646.17	1,998.04
From Financial Institution	2.15	3.98
<b>Total</b>	<b>648.32</b>	<b>2,002.02</b>

#### NOTE [3.1] - Secured Term Loan from Banks

Name	Tenor	31.03.2017	31.03.2016
State Bank of India	83 varied monthly installments Starting from June 2011	15.72	338.35
Axis Bank Ltd	85 varied monthly installments Starting from March 2011	106.62	390.54
Axis Bank Ltd	23 varied quarterly installments Starting from April 2012	-	523.48
Uco Bank	40 varied quarterly installments Starting from January 2005	518.37	737.13
The Saraswat Co-op Bank Ltd	60 equal monthly installments Starting from October 2014	5.46	8.55
		<b>646.17</b>	<b>1,998.04</b>

- Security against Term Loan from State Bank of India is charged on specific wind farm of 3.6 MW and guaranteed by Weizmann Ltd and Weizmann Forex Ltd
- Security against Term Loans from Axis Bank Ltd is charged on receivable from specific wind farm of 18.0 MW
- Security against Term Loan from Uco Bank is charged on receivable from specific wind farm of 7.0 MW
- Security against Term Loan from Saraswat Co-op Bank Ltd is charged on specific vehicle

#### NOTE [3.2] - Secured Term Loan from Financial Institutions

Name	Tenor	31.03.2017	31.03.2016
Volkswagen Finance Pvt Ltd	59 equal monthly installments Starting from May 2014	2.15	3.98
		<b>2.15</b>	<b>3.98</b>

- Security against Term Loan from Volkswagen Finance Pvt Ltd is charged on specific vehicle

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE [3.3]</b> For the current maturities of long-term borrowings, refer item (a) in Note 7 of Other Current Liabilities		
<b>NOTE [4] - LONG TERM PROVISIONS</b> Provision for Employee Benefits Leave encashment	23.66	58.39
<b>Total</b>	<b>23.66</b>	<b>58.39</b>
<b>NOTE [5] - SHORT TERM BORROWINGS</b> Unsecured From Corporates	3,879.54	4,032.10
<b>Total</b>	<b>3,879.54</b>	<b>4,032.10</b>
<b>NOTE [6] TRADE PAYABLES</b> Due to Micro, small and medium enterprises Others	- 81.91	- 247.23
<b>Total</b>	<b>81.91</b>	<b>247.23</b>

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE [7] - OTHER CURRENT LIABILITIES</b> (a) Current Maturities of Long Term Debt (b) Statutory Obligations (c) Unclaimed Dividend (d) Others	1,401.42 73.32 6.20 23.12	1,306.78 51.22 6.21 21.35
<b>Total</b>	<b>1,504.06</b>	<b>1,385.56</b>
<b>NOTE [7.1]</b> Current maturities of long term debts included in current liabilities (Refer Note 3)		
<b>NOTE [8] - SHORT TERM PROVISIONS</b> Provision : Employee Benefits Leave Encashment	25.31	6.23
<b>Total</b>	<b>25.31</b>	<b>6.23</b>
Provision : Others Provisions For Taxation	131.00	105.00
<b>Total</b>	<b>131.00</b>	<b>105.00</b>
<b>Total</b>	<b>156.31</b>	<b>111.23</b>

#### NOTE [9] - FIXED ASSETS

₹ in Lakh

	Nature of Asset	Gross Block				Depreciation				Net Block	
		As at 01.04.2016	Additions During the Year	Deletion / Adj.Upto During the Year	As at 31.03.2017	Upto 31.03.2016	For the Year	Withdrawals /Adjustments	Upto 31.03.2017	As on 31.03.2017	As on 31.03.2016
<b>1</b>	<b>TANGIBLE ASSETS</b>										
	<b>Land</b>										
	(a) Free Hold	34.57	-	-	34.57	-	-	-	-	34.57	34.57
	(b) Lease Hold	44.08	-	-	44.08	20.59	1.76	-	22.35	21.73	23.49
	<b>Plant &amp; Machinery</b>										
	Own	15,252.13	-	-	15,252.13	10,079.61	480.54	-	10,560.15	4,691.98	5,172.52
	<b>Road - Non RCC</b>	61.37	-	-	61.37	14.57	11.66	-	26.23	35.14	46.80
	<b>Office Equipment</b>	4.90	0.70	-	5.60	2.83	0.79	-	3.62	1.98	2.07
	<b>Vehicles</b>	41.79	-	-	41.79	10.97	5.08	-	16.05	25.74	30.82
	<b>Schedule (1)</b>	<b>15,438.84</b>	<b>0.70</b>	<b>-</b>	<b>15,439.54</b>	<b>10,128.57</b>	<b>499.83</b>	<b>-</b>	<b>10,628.40</b>	<b>4,811.14</b>	<b>5,310.27</b>
<b>2</b>	<b>INTANGIBLE ASSETS</b>										
	Schedule (2)	-	-	-	-	-	-	-	-	-	-
	<b>Total Assets</b>	<b>15,438.84</b>	<b>0.70</b>	<b>-</b>	<b>15,439.54</b>	<b>10,128.57</b>	<b>499.83</b>	<b>-</b>	<b>10,628.40</b>	<b>4,811.14</b>	<b>5,310.27</b>
	<b>Previous Year</b>	<b>15,438.85</b>	<b>-</b>	<b>-</b>	<b>15,438.85</b>	<b>9,628.41</b>	<b>500.16</b>	<b>-</b>	<b>10,128.57</b>	<b>5,310.27</b>	<b>5,810.42</b>

Particulars			As at 31.03.2017	As at 31.03.2016
<b>NOTE [10] - NON CURRENT INVESTMENTS, at cost</b>				
<b>Non Trade, Unquoted investments</b>				
<u>In subsidiary company</u>				
Fully paid-up Equity Shares	<u>CY - Nos</u>	<u>PY - Nos</u>		
Almi Hydro-Electric Projects Ltd	-	50000	-	125.00
Baledh Energy Projects Ltd	-	50000	-	525.00
Batot Hydro Power Ltd	18079250	7748250	1,807.48	774.38
Bramanvel Energy Ltd	6000	6000	94.31	94.31
Greenweiz Projects Ltd	495000	495000	651.03	651.03
Joiner Hydro Power Projects Ltd	-	50000	-	155.00
Khandesh Energy Projects Ltd	25500	25500	224.94	224.94
<u>In Associate</u>				
Fully paid-up Equity Shares				
Weizmann Corporate Services Ltd	15960	15960	145.08	145.08
Baledh Energy Projects Ltd	17648	-	185.30	-
<u>In Others</u>				
Fully paid-up Equity Shares				
Windia Infrastructure Finance Ltd	3638913	3638913	441.40	441.40
Tapi Energy Projects Ltd	1439105	1439105	250.84	250.84
<b>Non Trade, Quoted investments</b>				
Fully paid-up Equity Shares				
Weizmann Forex Ltd	1000	1000	0.28	0.28
Weizmann Ltd	1000	1000	0.14	0.14
(Aggr Mkt Val Rs.3.02 Lakh - Prev.Yr - Rs.0.78 Lakh)				
<b>Trade, Unquoted investments</b>				
Fully paid-up Equity Shares				
The Saraswat Co-op Bank Ltd	2500	2500	0.25	0.25
Share Application Money			-	1,033.10
<b>Total</b>			<b>3,801.05</b>	<b>4,420.75</b>
<b>NOTE [11] - LONG TERM LOANS AND ADVANCES</b>				
<u>Unsecured, considered good</u>				
Deposits			85.35	85.55
<b>Total</b>			<b>85.35</b>	<b>85.55</b>
<b>NOTE [12] - OTHER NON-CURRENT ASSETS</b>				
<u>Unsecured, considered good</u>				
Interest accrued on trade receivables			69.30	201.99
Other Receivables			13.33	1.66
<b>Total</b>			<b>82.63</b>	<b>203.65</b>
<b>NOTE [13] - TRADE RECEIVABLES</b>				
<u>Unsecured, considered good</u>				
Receivables outstanding for a period exceeding six months from the date they are due for payment			2,061.27	2,246.47
Other debts			443.60	809.48
<b>Total</b>			<b>2,504.87</b>	<b>3,055.95</b>
<b>NOTE [14] - CASH AND BANK BALANCES</b>				
<u>(A) Cash and Cash Equivalent</u>				
(a) Cash on hand			0.20	0.28
(b) Balance with banks :				
In current accounts			18.04	42.41
<b>Sub Total</b>			<b>18.24</b>	<b>42.70</b>
<u>(B) Other Bank Balance</u>				
(a) Fixed Deposit with maturity more than 12 months			384.41	340.85
(b) Balance with banks				
In Unclaimed Dividend accounts			6.20	6.21
<b>Sub Total</b>			<b>390.61</b>	<b>347.06</b>
<b>Total</b>			<b>408.85</b>	<b>389.75</b>
<b>NOTE [15] - SHORT TERM LOANS AND ADVANCES</b>				
<u>Unsecured, considered good</u>				
Income Tax and Tax Deducted at Source			37.68	12.76
Advances Recoverable in cash or in kind			22.39	45.03
Prepaid Expenses			22.68	22.56
Other loans and advances			38.76	27.07
<b>Total</b>			<b>121.51</b>	<b>107.42</b>

₹ in Lakh

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>NOTE [16] - REVENUE FROM OPERATION</b>		
Sales of Products	2,601.64	1,298.06
Other Operating Income	145.31	99.35
<b>Total</b>	<b>2,746.95</b>	<b>1,397.41</b>
<b>NOTE [16.1]</b>		
<u>Sales of Products comprises</u>		
Sale of Power	2,601.64	1,298.06
	<b>2,601.64</b>	<b>1,298.06</b>
<b>NOTE [16.2]</b>		
<u>Other Operating Income comprises</u>		
Sale of Entitlement from Wind Power	145.31	99.35
<b>Total</b>	<b>145.31</b>	<b>99.35</b>
<b>NOTE [17] - OTHER INCOME</b>		
Interest	103.14	32.85
Dividend	0.04	0.20
Others	11.37	5.04
<b>Total</b>	<b>114.55</b>	<b>38.09</b>
<b>NOTE [17.1]</b>		
<u>Interest Income comprises</u>		
Interest on Loans and Advances	0.43	0.36
Interest on Fixed Deposits in Banks	33.41	32.49
Interest on Others	69.30	-
<b>Total</b>	<b>103.14</b>	<b>32.85</b>
<b>NOTE [18] - OPERATING &amp; MAINTENANCE COST</b>		
Energy / Open Access Charges	381.36	16.45
Operations & Maintenance	415.56	356.26
Others	29.10	9.06
Stores and Spares Consumed	7.16	12.58
<b>Total</b>	<b>833.18</b>	<b>394.35</b>
<b>NOTE [19] - EMPLOYEE BENEFITS</b>		
Salaries, Wages and Bonus	296.67	298.08
Contribution to Provident Funds and Other Funds	26.92	16.38
Staff Welfare Expenses	6.54	6.66
<b>Total</b>	<b>330.13</b>	<b>321.12</b>
<b>NOTE [20] - FINANCE COSTS</b>		
(a) Interest Expense on		
Secured Loans	353.51	513.71
Unsecured Loans	411.49	184.49
Others	9.40	0.01
(b) Other Borrowing Cost	2.42	1.24
<b>Total</b>	<b>776.82</b>	<b>699.45</b>
<b>NOTE [21] - OTHER EXPENSES</b>		
Audit Fees	3.36	3.66
Conveyance & Travelling Expense	10.67	10.15
Electricity Expense	0.23	0.83
Insurance Charges	43.12	41.77
Legal & Professional Charges	17.14	37.12
Rent	30.42	33.15
Rates & Taxes	11.57	6.62
Repairs & Maintenance	0.57	0.57
Miscellaneous Expenses	39.16	50.41
<b>Total</b>	<b>156.24</b>	<b>184.28</b>
<b>NOTE [21.1]</b>		
Payments to the Auditors		
For Audit	3.11	3.60
For other Services	0.25	0.06
<b>Total</b>	<b>3.36</b>	<b>3.66</b>

## NOTE [22]

### NOTES FORMING PART OF FINANCIAL STATEMENTS

#### 1 SIGNIFICANT ACCOUNTING POLICIES:

##### a) Accounting Convention :

The accounts have been prepared under the historical cost convention and on accrual system based on the principle of going concern.

- Income from Sale of Power is recognized on the basis of meter reading recorded and confirmed by the Electricity Board authorities upto the last month meter reading of the financial year.
- Income from Sale of Entitlements from Wind Farm Projects are accounted for as and when sold.
- Income on Inter Corporate Deposits is accounted for on time accrual basis
- It is the policy of the company to provide for all income and expenses on accrual basis.

##### c) Fixed Assets :

Fixed assets are valued at cost less depreciation.

##### d) Depreciation :

The Company depreciates its fixed assets on Straight Line Method over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013.

Land - Leasehold is amortised over the tenure of lease.

##### e) Capital Work in Progress :

All direct expenses incurred for acquiring and erecting fixed assets are shown under capital work in progress. Any purchases made on account of capital work in progress is charged to the capital work in progress irrespective of its consumption.

##### f) Investment :

Long term investments are carried at cost. Provision for diminution, if any, in the value of each long term investment is made to recognise a decline, other than of temporary nature.

##### g) Borrowing Costs:

Borrowing cost relating to the acquisition / construction of fixed assets are capitalised as part of cost of such assets till such time the assets are ready for their intended use.

##### h) Retirement Benefits:

- The Company has covered its gratuity liabilities with Life Insurance Corporation of India. Any amount payable to the employee in the year of separation in excess of amount received from LIC is charged off to revenue.
- The Company has made necessary provisions as per actuarial valuation for leave encashment and other retirement benefits wherever required as per Accounting Standard 15 under Companies (Accounting Standards) Rules.

##### i) Amortization of Miscellaneous Expenditure:

Preliminary expenses are amortized in the year of incurrence of expenditure.

##### j) Impairment of Assets

If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

##### k) Taxation:

Provision for income tax for current year is made on the basis of taxable income for the year as determined as per the provisions of the Income Tax Act, 1961.

##### l) Deferred Tax:

Deferred income tax is accounted for by computing the tax effect on timing differences which arise during the year and capable of reversal in subsequent periods.



**m) Foreign Currency Transaction:**

The transactions in foreign currency are accounted at exchange rate prevailing on the date of transaction. Money items denominated in foreign currency outstanding at the year end are translated at the year end exchange rate and the unrealised exchange gain or loss is recognized in the profit and loss account.

**2) Contingent Liabilities:**

₹ in lakh

31.03.2017 31.03.2016

Disputed Income Tax Liabilities 198.55 105.09

**3) Earnings in Foreign Exchange : Rs Nil (Prev. Year-Rs.Nil)**

**Expenditure in Foreign Exchange : Rs Nil (Prev. Year - Rs. Nil)**

**4) Disclosures required under Accounting Standard 15 "Employee Benefits as per Companies (Accounting Standards) Rules 2006**

The Employee's Gratuity Fund Scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method.

₹ in lakh

Assumptions	31.03.2017	31.03.2016
Discount Rate	8.00%	8.00%
Salary Escalation	7.00%	7.00%

**Table Showing changes in present value of Obligation As on 31.03.2017**

Present value of obligations as at beginning of year	182.98	177.07
Interest cost	14.64	14.17
Current Service Cost	10.04	9.66
Benefits Paid	(27.02)	(2.47)
Actuarial (Gain) / Loss on obligations	(11.38)	(15.44)
Present value of obligations as at end of year	169.26	182.99

**Table showing changes in the fair value of plan assets As on 31.03.2017**

Fair value of plan assets at beginning of year	210.05	174.89
Expected return on plan assets	65.09	17.36
Contributions	8.89	20.28
Benefits Paid	(27.02)	(2.47)
Actuarial Gain / (Loss) on Plan assets	-	-
Fair value of plan assets at the end of year	208.01	210.06

**Table showing fair value of plan assets**

Fair value of plan assets at beginning of year	210.05	174.89
Expected return on plan assets	16.09	17.36
Contributions	8.89	20.28
Benefits Paid	(27.02)	(2.47)
Actuarial Gain / (Loss) on Plan assets	-	-
Fair value of plan assets at the end of year	208.01	210.06
Table showing fair value of plan assets		
Fair value of plan assets at beginning of year	210.05	174.89
Actual return on plan assets	16.09	17.36
Contributions	8.89	20.28
Benefits Paid	(27.02)	(2.47)
Fair value of plan assets at the end of year	208.01	210.06
Funded status	38.76	27.07
Excess of Actual over estimated return on plan assets	-	-
(Actual rate of return = Estimated rate of return as ARD falls on 31st March)		

**Actuarial (Gain) / Loss recognized As on 31.03.2017**

Actuarial (Gain) / Loss on obligations	11.38	15.44
Actuarial (Gain) / Loss for the year - plan assets	-	-
Actuarial (Gain) / Loss on obligations	(11.38)	(15.44)
Actuarial (Gain) / Loss recognized in the year	(11.38)	(15.44)

**The amounts to be recognized in the balance sheet and statements of profit and loss**

Present value of obligations as at the end of year	169.26	182.99
Fair value of plan assets as at the end of the year	208.01	210.06
Funded status	38.76	27.07
Net Asset / (Liability) recognized in balance sheet	38.75	27.07

**Expenses Recognised in statement of Profit and loss**

Current Service cost	10.04	9.66
Interest Cost	14.64	14.17
Expected return on plan assets	(16.09)	(17.36)
Net Actuarial (Gain) / Loss recognized in the year	(11.38)	(15.44)
Expenses recognised in statement of Profit and loss	(2.79)	(8.97)

- 5) Based on Information of status of suppliers to the extent received by the company there are no Small Scale Industrial undertakings included in Sundry Creditors to whom the payments are outstanding for a period more than 45 days. Further the company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the micro, Small and Medium Enterprises Development Act, 2006) claiming their status as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is Nil.

**6) Disclosure as per clause 32 of the Listing Agreement**

**a) Loans and Advances to Subsidiary Companies**

₹ in lakh

Name of the subsidiary company	As at 31.03.2017	Max Bal O/s during the year
Batot Hydro Power Limited	Nil (Nil)	Nil (26.18)

**b) Loans and Advances to Associate Companies - NIL**

**c) Loans and Advances to Companies / Firms in which Directors are interested (Excluding Subsidiary and Associate Companies) - NIL**

**d) Investment by the loanee in the shares of parent and subsidiary company - NIL**

**7) Deferred Tax**

₹ in lakh

Particulars	31.03.2017	31.03.2016
<b>Deferred Tax Liabilities</b>		
Difference between Book and Tax Depreciation	1,287.28	1,703.29
Sub Total (a) ==>	1,287.28	1,703.29
<b>Deferred Tax Assets</b>		
Others	21.15	30.43
Sub Total (b) ==>	21.15	30.43
<b>Net Deferred Tax Liability (a - b)</b>	1,266.13	1,672.86

**8) Earnings per Share**

	31.03.2017	31.03.2016
A. Net Profit / (Loss) After Tax (Rs. In Lakh)	191.95	(154.22)
B. Weighted Average Number of Equity Shares	11569918	11569918
C. Nominal Value per Ordinary Shares	10.00	10.00
D. Basic & Diluted Earning Per Share	1.66	(1.33)

**9) Related Party Disclosure**

In accordance with the "Accounting Standard 18 - Related Party Disclosure", the details are as follows:

**A Related Party and their Relationship**

Subsidiaries	Associates
Almi Hydro Electric Projects Ltd.*	Weizmann Corporate Services Ltd.
Baledh Energy Projects Ltd.**	Baledh Energy Projects Limited ++
Batot Hydro Power Ltd.	
Brahmanvel Energy Ltd.	
Greenweiz Projects Ltd.	
Joiner Hydro Power Projects Ltd.***	
Khandesh Energy Projects Ltd.	
Vajharpada Energy Ltd.	

\* upto 09.06.2016 \*\* upto 08.09.2016 \*\*\* upto 27.06.2016 ++ wef 09.09.2016

Key Management Personnel : Mr. Ganesh N. Kamath - Managing Director

**B Transactions with the related Parties (including transactions which are more than 10% of the total transactions of the same type with related parties)**

Nature of Transaction	Subsidiaries	Associate	Key Management Personnel	Total
<b>INCOME / RECIEPTS</b>				
Interest	(0.05)	-	-	(0.05)
Batot Hydro Power Ltd.	-	-	-	-
	(0.05)	-	-	(0.05)
<b>Sale of Investment in Securities</b>				
	(306.49)	-	-	(306.49)
Greenweiz Projects Ltd.	-	-	-	-
	(306.49)	-	-	(306.49)

<b>EXPENDITURE / PAYMENTS</b>				
<u>Rent</u>	-	1.80	-	1.80
	-	(1.80)	-	(1.80)
Weizmann Corporate Services Ltd.	-	1.80	-	1.80
	-	(1.80)	-	(1.80)
<u>Operation &amp; Maintenance Expenses</u>	<b>44.11</b>	-	-	<b>44.11</b>
	(47.07)	-	-	(47.07)
Greenweiz Projects Ltd	44.11	-	-	44.11
	(47.07)	-	-	(47.07)
<u>Remuneration</u>	-	-	<b>23.91</b>	<b>23.91</b>
	-	-	(23.91)	(23.91)
G. N. Kamath	-	-	23.91	23.91
	-	-	(23.91)	(23.91)
<b>FINANCE</b>				
<u>Loans Given</u>	-	-	-	-
	(0.05)	-	-	(0.05)
Batot Hydro Power Ltd	-	-	-	-
	(0.05)	-	-	(0.05)
<b>OUTSTANDINGS</b>				
<u>Creditors</u>	-	-	-	-
	<b>(13.01)</b>	-	-	<b>(13.01)</b>
Greenweiz Projects Ltd	-	-	-	-
	(13.01)	-	-	(13.01)

In respect of a 1.5 MW wind farm in the absence of PPA against invoices at Rs.3.37 per unit acknowledged by the DL, the settlement being made at Rs.1.685 per unit in the absence of PPA.

14) In respect of balances of Sundry Creditors / Debtors, Loans and Advances, Banks and Unsecured Loans / Inter Corporate Deposits confirmations were not received by the Company in few cases. In the opinion of management the balances as appearing in the books are fully payable / realisable, as the case may be, in the normal course of business.

15) Previous year figures have been regrouped and / or reclassified wherever necessary.

Signatures to the Notes 1 to 22 forming part of the **Balance Sheet** as at **31.03.2017** and the **Statement of Profit & Loss** for the year ended **31.03.2017**

As per our report of even date attached

For and on behalf of the Board

For U. B. Sura & Co.  
Chartered Accountants

For Shyam C. Agrawal & Co.  
Chartered Accountants

C. D. Mehra  
(Vice Chairman)  
DIN - 00022021

G. N. Kamath  
(Managing Director)  
DIN - 00040805

U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 26.05.2017

Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 26.05.2017

T. V. Subramanian  
(Chief Financial Officer  
& Company Secretary)

#### 10) Joint Venture Disclosure

The company does not have any joint venture companies

#### 11) Denomination Statement for the period 08.11.2016 to 30.12.2016

	SBNs	Other denomination	Total
Closing Cash in Hand as on 08.11.2016	81,500.00	7,308.11	88,808.11
(+) Permitted Receipts		78,000.00	78,000.00
(-) Permitted Payment		(42,384.00)	(42,384.00)
(-) Amount Deposited in Bank	(81,500.00)	(10,500.00)	(92,000.00)
Closing Cash in Hand as on 30.12.2016	-	<b>32,424.11</b>	<b>32,424.11</b>

#### 12) Segment Information

The Primary Business activity of the Company is that of Generation of Power from Renewable Sources and hence there being only one reportable segment, segment reporting has not been furnished.

13) The Company in respect of 7.5 MW wind form developed in three phases in Anantpur District, Andhra Pradesh has been selling the wind power to the state Distribution Licensee (DL) and have been raising invoice on them at Rs.3.37 per unit based on wind power tariff for a period of 20 years from the date of commissioning determined by the State Electricity Regulatory Commission of Andhra Pradesh (APERC). The Company has reversed / written off in books of accounts an amount of Rs.147.09 lac due to:

In respect of Phase-I and II of the wind farms, on the expiry of 20 year period of Power Purchase Agreements (PPA) in September 2015 and September 2016 respectively, the Distribution Licensee offered a unit rate of Rs.2.23 per unit the determination of which was challenged by the company before the State Electricity Regulatory Commission (APERC) who passed an adverse order against the company in February,2017

## Independent Auditor's Report on the Consolidated Financial Statements

To

**The Board of Directors of  
KARMA ENERGY LIMITED**

1. We have audited the accompanying statement of Standalone and consolidated financial statements of Karma Energy Limited ("hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2017, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

### **Other Matter**

8. We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of Rs.289.41 Lac as at March 31, 2017 and total revenues of Rs.0.02 Lac for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report to the extent applicable that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
  - (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2017 taken on record by the Board of Directors of the holding company and from the directors of the subsidiaries taken on record by the board of directors, none of the directors of the respective companies are disqualified as on 31st March, 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";

**For U B Sura & Co.,**  
Chartered Accountants

**U. B. Sura**  
Proprietor  
Membership No: 32026  
FRN 110620W

Place: Mumbai, Date : May 26, 2017.

**For Shyam C. Agrawal & Co.**  
Chartered Accountants

**Shyam C. Agrawal**  
Proprietor  
Membership No.31774  
FRN 110243W

## Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of KARMA ENERGY LIMITED ("the Company") as of 31 March 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

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 Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of

Management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 U B Sura & Co.,  
Chartered Accountants

U. B. Sura  
Proprietor  
Membership No: 32026  
FRN 110620W

Place: Mumbai, Date : May 26, 2017.

For Shyam C. Agrawal & Co.  
Chartered Accountants

Shyam C. Agrawal  
Proprietor  
Membership No.31774  
FRN 110243W

# CONSOLIDATED BALANCE SHEET AS AT 31.03.2017

₹ in Lakh

Particulars	Note No.	As At 31.03.2017	As At 31.03.2016
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	1,156.99	1,156.99
Reserves and Surplus	2	3,366.22	1,778.80
Money received against share warrants		-	-
		<b>4,523.21</b>	<b>2,935.79</b>
<b>Share application money pending allotment</b>		-	-
Minority Interest		519.04	720.88
<b>Non-Current Liabilities</b>			
Long Term Borrowings	3	2,247.52	4,044.51
Deferred Tax Liabilities (Net)		801.16	1,082.63
Other Long Term Liabilities		-	-
Long Term Provisions	4	31.18	65.07
		<b>3,079.86</b>	<b>5,192.21</b>
<b>Current Liabilities</b>			
Short Term Borrowings	5	5,300.27	5,230.94
Trade Payables	6	84.26	253.74
Other Current Liabilities	7	1,798.29	1,941.56
Short Term Provisions	8	161.15	119.35
		<b>7,343.97</b>	<b>7,545.58</b>
<b>TOTAL</b>		<b>15,466.08</b>	<b>16,394.46</b>
<b>II ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets			
Tangible Assets	9	8,359.32	9,024.89
Intangible Assets		2,091.58	1,598.32
Capital Work-in-Progress		128.77	376.46
Intangible Assets under Development		-	-
Fixed Assets held for Sale		-	-
Non Current Investments	10	960.12	773.63
Deferred Tax Assets (Net)		-	-
Long Term Loans and Advances	11	92.09	95.44
Other Non-Current Assets	12	82.63	203.65
		<b>11,714.51</b>	<b>12,072.39</b>
<b>Current assets</b>			
Current Investments		-	-
Inventories	13	488.60	469.59
Trade Receivables	14	2,603.48	3,124.49
Cash and Cash Equivalents	15	474.26	550.08
Short Term Loans and Advances	16	153.61	146.57
Other Current Assets	17	31.62	31.34
		<b>3,751.57</b>	<b>4,322.07</b>
<b>TOTAL</b>		<b>15,466.08</b>	<b>16,394.46</b>

See accompanying notes to the financial statements  
As per our report of even date attached

For U. B. Sura & Co.  
Chartered Accountants

For Shyam C. Agrawal & Co.  
Chartered Accountants

For and on behalf of the Board

C. D. Mehra  
(Vice Chairman)  
DIN - 00022021

G. N. Kamath  
(Managing Director)  
DIN - 00040805

T. V. Subramanian  
(Chief Financial Officer  
& Company Secretary)

U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 26.05.2017

Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 26.05.2017

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2017 ₹ in Lakh

Particulars	Note No.	Current Year 31.03.2017	Previous Year 31.03.2016
I Revenue from Operations	18	3,262.45	1,897.99
II Other Income	19	135.41	64.57
<b>III Total Revenue (I + II)</b>		<b>3,397.86</b>	<b>1,962.56</b>
IV Expenses			
Cost of Materials Consumed		-	-
Purchases of Stock-in-Trade	20	46.96	50.71
Changes in Inventories		(22.44)	(13.11)
Operating & Maintenance Cost	21	824.64	411.33
Employee Benefits Expense	22	479.35	487.49
Finance Costs	23	1,154.30	1,250.06
Depreciation and Amortization Expense	9	656.32	657.98
Bad Debts Written Off	25.11	349.14	-
Other Expenses	24	274.33	291.35
<b>Total Expenses</b>		<b>3,762.60</b>	<b>3,135.81</b>
V Profit/(Loss) before Exceptional & Extraordinary Items & Tax (III-IV)		<b>(364.74)</b>	<b>(1,173.26)</b>
VI Exceptional Items (Net)		-	(519.59)
VII Profit/(Loss) before Extraordinary Items and Tax (V - VI)		<b>(364.74)</b>	<b>(653.67)</b>
VIII Extraordinary Items		-	-
IX Profit/(Loss) Before Tax (VII - VIII)		<b>(364.74)</b>	<b>(653.67)</b>
X Tax Expense			
(1) Current Tax		132.50	111.58
(2) Deferred Tax		(281.48)	2.27
(3) MAT Credit entitlement		(0.28)	(5.64)
(4) Prior Year Taxation		(7.95)	1.30
XI Profit/(Loss) for the year from Continuing Operations (IX - X)		<b>(207.53)</b>	<b>(763.18)</b>
XII Profit/(Loss) from Discontinuing Operations		-	-
XIII Tax Expense of Discontinuing Operations		-	-
XIV Profit/(Loss) from Discontinuing Operations (after tax) (XII - XIII)		-	-
XV Profit/(Loss) for the year before Minority Interest & Share of Associate		<b>(207.53)</b>	<b>(763.18)</b>
Minority Interest		(201.85)	(304.38)
Share in Associates		1.45	4.05
Profit/(Loss) for the year		<b>(4.23)</b>	<b>(454.75)</b>
Earnings per Equity Share:			
1. Basic		(0.04)	(3.93)
2. Diluted		(0.04)	(3.93)

See accompanying notes to the financial statements  
As per our report of even date attached

**For U. B. Sura & Co.**  
Chartered Accountants

**U. B. Sura**  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 26.05.2017

**For Shyam C. Agrawal & Co.**  
Chartered Accountants

**Shyam C. Agrawal**  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 26.05.2017

For and on behalf of the Board

**C. D. Mehra**  
(Vice Chairman)  
DIN - 00022021

**G. N. Kamath**  
(Managing Director)  
DIN - 00040805

**T. V. Subramanian**  
(Chief Financial Officer  
& Company Secretary)



# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017 ₹ in Lakh

Particulars	As At 31.03.2017	As At 31.03.2016
<b>Cash Flow from Operating Activities</b>		
Net Profit / (Loss) before extraordinary items and tax	(364.74)	(653.67)
<i>Adjustments for:</i>		
Depreciation and Amortisation	656.32	657.98
Loss on Sale / Discard of Fixed Assets	24.82	0.14
Profit on Sale of Fixed Assets	-	(0.04)
Profit on Sale of Investments in Subsidiaries	(5.73)	-
Prior Year Taxation	-	0.04
Preliminary Expenses	2.00	23.75
Sundry Debtors Written Off	349.14	-
Miscellaneous Expenses	(0.07)	(0.11)
	1,026.48	681.76
<b>Operating profit / (loss) before working capital changes</b>	<b>661.74</b>	<b>28.09</b>
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets</i>		
Inventories	(19.01)	(17.03)
Trade receivables	521.01	(1,492.76)
Short-term loans and advances	8.52	109.75
Long-term loans and advances	3.35	1.28
Other current assets	(0.28)	-
Other non-current assets	(228.11)	0.06
Bank Deposits	(35.38)	(57.93)
	250.10	(1,456.64)
	<b>911.84</b>	<b>(1,428.55)</b>
<i>Adjustments for increase / (decrease) in operating liabilities</i>		
Trade payables	(169.48)	87.84
Other current liabilities	(143.26)	76.39
Other long-term liabilities	-	-
Long-term provisions	(33.89)	(14.31)
	(325.74)	148.31
<b>Cash generated from operations</b>	<b>586.10</b>	<b>(1,280.24)</b>
Net Income Tax (Paid) / Refund	(119.19)	(0.57)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>466.91</b>	<b>(1,280.81)</b>
<b>Investments in Fixed Assets</b>		
Capital Expenditure on Fixed Assets	(18.08)	(2.74)
Capital Work In Progress	247.69	(31.10)
Sale of Fixed Assets	1.75	0.07
Sale of Investments	619.95	-
	851.31	(33.77)
<b>Net cash flow from Investing activities (B)</b>	<b>1,318.21</b>	<b>(1,314.57)</b>
<b>Financing</b>		
Share Capital	-	1,208.50
Proceeds from Subsidy	255.00	-
Profit from Cessation of Subsidiaries	45.26	-
Share Issue Expenses	(2.00)	(23.75)
Increase / (Decrease) in Long Term Borrowings	(1,796.99)	367.80
Increase / (Decrease) in Short Term Borrowings	69.33	(230.14)
Net cash flow from Financing activities (C)	(1,429.40)	1,322.41
<b>Total (A + B + C)</b>	<b>(111.19)</b>	<b>7.84</b>
Cash and Cash Equivalent at the Beginning of the year	136.40	128.56
	136.40	128.56
Cash and Cash Equivalent at the End of the year	<b>25.21</b>	<b>136.40</b>
(a) Cash on Hand	1.30	0.31
(b) Balances with banks in current accounts	23.91	136.08

See accompanying notes to the financial statements  
As per our report of even date attached

For and on behalf of the Board

**For U. B. Sura & Co.**  
**Chartered Accountants**

**For Shyam C. Agrawal & Co.**  
**Chartered Accountants**

**C. D. Mehra**  
(Vice Chairman)  
DIN - 00022021

**G. N. Kamath**  
(Managing Director)  
DIN - 00040805

**U. B. Sura**  
**Proprietor**  
**Membership No. 32026**  
**Firm Regn. No. 110620W**  
**Mumbai, Dated : 26.05.2017**

**Shyam C. Agrawal**  
**Proprietor**  
**Membership No. 31774**  
**Firm Regn. No. 110243W**  
**Mumbai, Dated : 26.05.2017**

**T. V. Subramanian**  
(Chief Financial Officer  
& Company Secretary)

## Notes forming part of the Consolidated Financial Statements

₹ in Lakh

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE [1] - SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
1,80,00,000 Equity Shares of Rs.10/-each (Prev.Year 1,80,00,000 Equity Shares of Rs.10/- each)	1,800.00	1,800.00
<b>Issued, Subscribed &amp; Paid-up Share Capital</b>		
1,15,69,918 Equity Shares of Rs.10/- each fully Paid-up (Prev.Year 1,15,69,918 Equity Shares of Rs.10/- each)	1,156.99	1,156.99
<b>Total</b>	<b>1,156.99</b>	<b>1,156.99</b>

### NOTE [1.1]

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Equity Shares

At the beginning of the Year

Issued during the Year

**Outstanding at the end of the Year**

	As at 31.03.2017		As at 31.03.2016	
	In Nos.	₹ In Lakh	In Nos.	₹ In Lakh
Equity Shares				
At the beginning of the Year	11569918	1,156.99	11569918	1,156.99
Issued during the Year	-	-	-	-
<b>Outstanding at the end of the Year</b>	<b>11569918</b>	<b>1,156.99</b>	<b>11569918</b>	<b>1,156.99</b>

### NOTE [1.2]

#### Terms / rights attached to equity shares

- The Company has only one class of equity shares having a par value of Rs.10/- per Share.
- Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders
- The company has not issued any bonus shares or bought back the equity shares in the last 5 years immediately preceding the balance sheet date.
- With respect to the amalgamation of the transferor company Avirodh Financial Services Ltd, the company allotted 5561 equity shares of Rs.10/- each in the ratio of 1 equity share of Rs.10/- each of the company for every 18 equity shares of Rs.10/- each held by the equity shareholders in the transferor company

### NOTE [1.3]

Details of shares held by each shareholder holding more than 5% shares Equity shares of Rs.10/- fully paid up

	As at 31.03.2017		As at 31.03.2016	
	In Nos	Holding (%)	In Nos	Holding (%)
Chetan Mehra on behalf of Tanraj Enterprises	-	-	1093765	9.45%
Radhika Mehra	796715	6.89%	-	-
Prabhanjan Multitrade Pvt Ltd on behalf of Suhani Power And Finance Corporation	-	-	827071	7.15%
Prabhanjan Multitrade Pvt Ltd	647033	5.59%	647033	5.59%
Anju D. Siraj	688097	5.95%	828734	7.16%
Inspeed Power Pvt Ltd	2040943	17.64%	1652835	14.29%
Kotta Enterprises Ltd	2294026	19.83%	2294026	19.83%

### NOTE [1.4]

Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates - NIL

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE [2] - RESERVES &amp; SURPLUS</b>		
<b>Capital Reserve</b>		
Opening Balance	87.89	76.96
Additions : MNRE Subsidy	255.00	-
Closing Balance	<b>342.89</b>	<b>87.89</b>
<b>General Reserve</b>		
Opening Balance	3,074.95	3,074.95
Closing Balance	<b>3,074.95</b>	<b>3,074.95</b>
<b>Surplus / (Deficit) in the Statement of Profit &amp; Loss</b>		
Opening Balance	(1,384.03)	(929.29)
Additions : On Cessation of Subsidiaries	45.26	-
Additions : On increase in stake in subsidiary	1,291.38	-
Add / (Less) : Depreciation Adjustment per Schedule II of Companies Act	-	-
Add : Profit / (Loss) for the Year	(4.23)	(454.75)
Closing Balance	<b>(51.62)</b>	<b>(1,384.03)</b>
<b>Total</b>	<b>3,366.22</b>	<b>1,778.80</b>
<b>NOTE [3] - LONG TERM BORROWINGS</b>		
<b>Term Loans</b>		
<b>Secured</b>		
From Banks	2,245.37	4,040.53
From Financial Institution	2.15	3.98
<b>Total</b>	<b>2,247.52</b>	<b>4,044.51</b>

### NOTE [3.1] - Secured Term Loan from Banks

Name	Tenor	31.03.2017	31.03.2016
State Bank of India	83 varied monthly installments Starting from June 2011	15.72	338.35
Axis Bank Ltd	85 varied monthly installments Starting from March 2011	106.62	390.54
Axis Bank Ltd	23 varied quarterly installments Starting from April 2012	-	523.48
Uco Bank	40 varied quarterly installments Starting from January 2005	518.37	737.13
Ratnakar Bank Ltd	120 equal monthly installments Starting from April 2016	1,599.20	1,799.60
Ratnakar Bank Ltd	9 equal quarterly installments Starting from April 2016	-	242.89
The Saraswat Co-op Bank Ltd	60 equal quarterly installments	5.46	8.55
<b>Total ==&gt;</b>		<b>2,245.37</b>	<b>4,040.53</b>

- Security against Term Loan from State Bank of India is charge on specific wind farm of 3.6 MW & guaranteed by Weizmann Ltd and Weizmann Forex Ltd
- Security against Term Loans from Axis Bank Ltd is charge on receivable from specific wind farm of 9.0 MW.
- Security against Term Loans from Axis Bank Ltd is charge on receivable from specific wind farm of 9.0 MW.
- Security against Term Loan from Uco Bank is charge on receivable from specific wind farm of 7.0 MW.
- Security against Term Loan from Saraswat Co-op Bank Ltd is charge on specific vehicle.
- Security against Term Loan from Ratnakar Bank Ltd is charge on specific hydro power project of 3.5 MW and guaranteed by Weizmann Forex Ltd

**NOTE [3.2] - Secured Term Loan from Financial Institutions** ₹ in Lakh

Name	Tenor	31.03.2017	31.03.2016
Volkswagen Finance Pvt Ltd	59 equal monthly installments Starting from May 2014	2.15	3.98
		<b>2.15</b>	<b>3.98</b>

1. Security against Term Loan from Volkswagen Finance Pvt Ltd is charged on specific vehicle

**NOTE [3.3]**

For the current maturities of long-term borrowings, refer item (a) in Note 7 of Other Current Liabilities

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE [4] - LONG TERM PROVISIONS</b>		
Provision for Employee Benefits		
Leave encashment	31.18	65.07
<b>Total</b>	<b>31.18</b>	<b>65.07</b>
<b>NOTE [5] - SHORT TERM BORROWINGS</b>		
<u>Unsecured</u>		
(a) Loans Payable on Demand From Corporates	4,800.27	4,736.07
(b) Loans and Advances from Related Parties	500.00	494.87
<b>Total</b>	<b>5,300.27</b>	<b>5,230.94</b>

₹ in Lakh

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE [6] TRADE PAYABLES</b>		
Due to Micro, small and medium enterprises	-	-
Others	84.26	253.74
<b>Total</b>	<b>84.26</b>	<b>253.74</b>
<b>NOTE [7] - OTHER CURRENT LIABILITIES</b>		
(a) Current Maturities of Long Term Debt	1,601.82	1,695.18
(b) Statutory Obligations	85.60	117.23
(c) Payable against Purchases of Fixed Asset	22.53	38.10
(d) Unclaimed Dividend	6.20	6.21
(e) Others	82.14	84.84
<b>Total</b>	<b>1,798.29</b>	<b>1,941.56</b>
<b>NOTE [7.1]</b>		
Current Maturities of Long Term Debts included in Current Liabilities (Refer Note 3)		
<b>NOTE [8] - SHORT TERM PROVISIONS</b>		
<u>Provision : Employee Benefits</u>		
Leave Encashment	28.65	7.77
	<b>28.65</b>	<b>7.77</b>
<u>Provision : Others</u>		
Provisions For Taxation	132.50	111.58
	<b>132.50</b>	<b>111.58</b>
<b>Total</b>	<b>161.15</b>	<b>119.35</b>

**NOTE [9] - FIXED ASSETS**

₹ in Lakh

	Nature of Asset	Gross Block				Depreciation				Net Block	
		As at 01.04.2016	Additions During the Year	Deletion / Adj.Upto During the Year	As at 31.03.2017	Upto 31.03.2016	For the Year	Withdrawals /Adjustments	Upto 31.03.2017	As on 31.03.2017	As on 31.03.2016
<b>1</b>	<b>TANGIBLE ASSETS</b>										
	<b>Land</b>										
	(a) Free Hold	121.93	-	-	121.93	-	-	-	-	121.93	121.93
	(b) Lease Hold	44.08	-	-	44.08	20.59	1.76	-	22.35	21.73	23.49
	(c) Lease Hold - Proj *	24.42	-	-	24.42	1.34	0.67	-	2.01	22.41	23.08
	(d) Lease Hold - TL *	118.14	-	-	118.14	6.50	3.25	-	9.75	108.39	111.64
	(e) Lease Hold - TL	5.50	-	-	5.50	0.30	0.15	-	0.45	5.05	5.20
	<b>Plant &amp; Machinery</b>										
	(a) Own	16,732.69	2.39	3.81	16,731.27	10,319.06	515.97	2.90	10,832.13	5,899.14	6,413.63
	Building & Civil Engg	2,698.20	13.99	30.49	2,681.70	412.20	126.33	4.06	534.47	2,147.23	2,286.00
	Office Equipment	9.66	0.78	-	10.44	5.81	1.53	-	7.34	3.10	3.85
	Computers	4.21	-	-	4.21	3.65	0.19	-	3.84	0.37	0.56
	Furniture & Fixtures	3.52	-	-	3.52	2.76	0.17	-	2.93	0.59	0.76
	Vehicles	78.53	0.92	-	79.45	43.78	6.29	-	50.07	29.38	34.75
	<b>Schedule (1)</b>	<b>19,840.88</b>	<b>18.08</b>	<b>34.30</b>	<b>19,824.66</b>	<b>10,815.98</b>	<b>656.31</b>	<b>6.96</b>	<b>11,465.33</b>	<b>8,359.32</b>	<b>9,024.89</b>
<b>2</b>	<b>INTANGIBLE ASSETS</b>										
	Goodwill	1,598.32	1,291.38	798.12	2,091.58	-	-	-	-	2,091.58	1,598.32
	<b>Schedule (2)</b>	<b>1,598.32</b>	<b>1,291.38</b>	<b>798.12</b>	<b>2,091.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,091.58</b>	<b>1,598.32</b>
	<b>Total Assets</b>	<b>21,439.20</b>	<b>1,309.46</b>	<b>832.42</b>	<b>21,916.24</b>	<b>10,815.98</b>	<b>656.31</b>	<b>6.96</b>	<b>11,465.33</b>	<b>10,450.90</b>	<b>10,623.21</b>
	<b>Previous Year</b>	<b>21,439.53</b>	<b>2.74</b>	<b>3.07</b>	<b>21,439.20</b>	<b>10,160.91</b>	<b>657.98</b>	<b>2.91</b>	<b>10,815.98</b>	<b>10,623.21</b>	<b>11,278.62</b>

Note : \* Lease Hold Land agreements pending execution with forest authorities.

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE [10] - NON CURRENT INVESTMENTS, at cost</b>		
<b>Non-Trade, Unquoted investments</b>		
In Associate	339.41	152.67
In Others	620.04	620.04
<b>Non Trade, Quoted investments</b>		
Others	0.42	0.42
<b>Trade, Unquoted investments</b>		
Others	0.25	0.50
<b>Total</b>	<b>960.12</b>	<b>773.63</b>
<b>NOTE [11] - LONG TERM LOANS AND ADVANCES</b>		
<u>Unsecured, considered good</u>		
Capital Advances	-	0.15
Deposits	92.09	95.29
<b>Total</b>	<b>92.09</b>	<b>95.44</b>
<b>NOTE [12] - OTHER NON-CURRENT ASSETS</b>		
<u>Unsecured, considered good</u>		
Interest accrued on trade receivables	69.30	201.99
Other Receivables	13.33	1.66
<b>Total</b>	<b>82.63</b>	<b>203.65</b>
<b>NOTE [13] - INVENTORIES</b>		
(At lower of cost and net realisable value)		
(As taken, valued and certified by the management)		
<u>Contract Work in Progress</u>		
Wind Farm Development	212.33	189.57
<u>Stores &amp; Spares</u>		
Stock-in-Trade, Loose Tools, Stores & Spares	276.27	280.02
<b>Total</b>	<b>488.60</b>	<b>469.59</b>
<b>NOTE [14] - TRADE RECEIVABLES</b>		
<u>Unsecured, considered good</u>		
Receivables outstanding for a period exceeding six months from the date they are due for payment	2,078.20	2,255.51
Other debts	525.28	868.98
<b>Total</b>	<b>2,603.48</b>	<b>3,124.49</b>
<b>NOTE [15] - CASH AND BANK BALANCE</b>		
(A) <u>Cash and Cash Equivalents</u>		
(a) Cash on hand	1.30	0.31
(b) Balance with banks : In Current accounts	23.91	136.08
Sub Total	<b>25.21</b>	<b>136.40</b>
(B) <u>Other Bank Balances</u>		
(a) Fixed Deposit with maturity more than 12 months	442.85	407.48
(b) Balance with banks In Unclaimed Dividend accounts	6.20	6.21
Sub Total	<b>449.05</b>	<b>413.68</b>
<b>Total</b>	<b>474.26</b>	<b>550.08</b>
<b>NOTE [16] - SHORT TERM LOANS AND ADVANCES</b>		
<u>Unsecured, considered good</u>		
Income Tax and Tax Deducted at Source	41.23	25.68
Advances Recoverable	33.66	54.11
Prepaid Expenses	33.57	33.83
Other loans and advances	45.15	32.96
<b>Total</b>	<b>153.61</b>	<b>146.57</b>
<b>NOTE [17] - OTHER CURRENT ASSETS</b>		
<u>Unsecured, considered good</u>		
Other Receivables	31.62	31.34
<b>Total</b>	<b>31.62</b>	<b>31.34</b>

Particulars	Curr. Year 31.03.2017	Prev. Year 31.03.2016
<b>NOTE [18] - REVENUE FROM OPERATION</b>		
<u>Sales of Products</u>	2,985.62	1,710.91
Other Operating Income	276.83	187.07
<b>Total</b>	<b>3,262.45</b>	<b>1,897.98</b>
<b>NOTE [18.1]</b>		
Sales of Products comprises		
Sale of Power / Products	2,885.02	1,616.16
Sale of Services	100.60	94.75
	2,985.62	1,710.91
<b>NOTE [18.2]</b>		
Other Operating Income comprises		
Sale of Entitlement from Wind Power	276.83	187.07
	276.83	187.07
<b>NOTE [19] - OTHER INCOME</b>		
Interest	110.31	48.29
Dividend	0.08	0.24
Profit on Sale of Subsidiaries	5.73	-
Others	19.29	16.04
<b>Total</b>	<b>135.41</b>	<b>64.57</b>
<b>NOTE [19.1]</b>		
Interest Income comprises		
Interest on loans and advances	0.44	12.17
Interest from banks on deposits	33.41	32.49
Interest on others	69.89	3.26
<b>Total</b>	<b>103.74</b>	<b>47.92</b>
<b>NOTE [20] - PURCHASES OF TRADED GOODS</b>		
<u>Components</u>		
Indigenous	45.84	49.80
Imported	1.12	0.91
<b>Total</b>	<b>46.96</b>	<b>50.71</b>
<b>NOTE [21] - OPERATING &amp; MAINTENANCE COST</b>		
Energy/Open Access Chrgs / Stores & Spares	384.66	19.45
Operations & Maintenance	392.34	358.55
Others	37.16	17.14
Stores and Spares Consumed	10.48	16.19
<b>Total</b>	<b>824.64</b>	<b>411.33</b>
<b>NOTE [22] - EMPLOYEE BENEFITS</b>		
Salaries, Wages and Bonus	426.07	440.07
Contribution to Provident Funds and Other Funds	36.60	30.34
Staff Welfare Expenses	16.68	17.08
<b>Total</b>	<b>479.35</b>	<b>487.49</b>
<b>NOTE [23] - FINANCE COSTS</b>		
(a) Interest Expense on Secured Loans	619.08	589.80
Unsecured Loans	523.15	610.88
Others	9.65	0.05
(b) Other Borrowing Cost	2.42	49.33
<b>Total</b>	<b>1,154.30</b>	<b>1,250.06</b>
<b>NOTE [24] - OTHER EXPENSES</b>		
Audit Fees	5.05	5.49
Conveyance & Travelling Expense	18.35	18.76
Donation	0.05	0.25
Electricity Expense	0.93	1.44
Insurance Charges	61.84	58.70
Legal & Professional Charges	32.78	50.06
Loss on Sale / Discard of Asset	24.82	0.09
Rent	38.77	41.36
Rates & Taxes	14.40	11.01
Repairs & Maintenance	2.89	2.17
Security Services	8.57	8.57
Preliminary Expenses W/off	2.00	23.75
Miscellaneous Expenses	63.88	69.71
<b>Total</b>	<b>274.33</b>	<b>291.35</b>
<b>NOTE [24.1]</b>		
<u>Payments to the Auditors</u>		
For Audit	4.80	5.33
For other Services	0.25	0.16
	5.05	5.49

## NOTE [25]

### Notes forming part of the Consolidated Financial Accounts

#### 1 SIGNIFICANT ACCOUNTING POLICIES:

##### (a) Basis of Preparation

The consolidated financial statements which relates to Karma Energy Limited and its subsidiary Companies has been prepared under the historical cost convention and comply with accounting standards in all material respects.

##### (b) Basis of Consolidation

i The consolidated financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as laid down under Accounting Standard (AS-21) "Consolidated Financial Statements", Accounting Standard 23 (AS-23) "Accounting for Investment in Associates in Consolidated Financial Statements" and Accounting Standard 27 (AS-27) "Financial Reporting of Interests in Joint Ventures" under Companies (Accounting Standards) Rules.

ii As far as possible consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as holding company's separate financial statement except as provided under para f(iv). the impact thereof on accounts is not material.

##### (c) Income

i Income from Sale of Power is recognized on the basis of meter reading recorded and confirmed by the Electricity Board authorities upto the last month of the financial year.

ii Interest Income is accounted for on time accrual basis.

##### (d) Expenditure

It is the policy of the Company to provide for all expenses on accrual basis.

##### (e) Fixed Assets

Fixed Assets are stated at cost of acquisition including finance cost during the construction period and other directly attributable costs to bring the assets to its working condition for its intended use.

##### (f) Depreciation

i The parent and its subsidiaries depreciates its fixed assets on Straight Line Method, except one of the subsidiary depreciates its fixed assets on written down value method over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013.

ii Land - Leasehold is amortised over the tenure of lease.

iii Capital Work-in-Progress - All direct expenses incurred for acquiring and erecting fixed assets including interest on borrowed funds are shown under capital work-in-progress.

##### (g) Investments

Long term investments are carried at cost. Provision for diminution, if any, in the value of each long term investment is made to recognise a decline, other than of temporary nature.

##### (h) Inventories

Inventories held by the Company are valued at lower of cost or net realisable value.

##### (i) Amortisation of Miscellaneous Expenditure

The preliminary expenses incurred is charged to revenue in the year of incurrence itself in accordance with Accounting Standard 26 under Companies (Accounting Standards) Rules on Intangible Assets.

##### (j) Employee Benefits

The Company has covered its gratuity liabilities with Life Insurance Corporation of India. Any amount payable to the employee in the year of separation in excess of amount received from LIC is charged off to revenue.

The Company has made necessary provisions as per actuarial valuation for leave encashment and other retirement benefits wherever required as per Accounting Standard 15 under Companies (Accounting Standards) Rules.

##### (k) Taxation

Provision for current income tax is made on the basis of taxable income for the year as determined as per the provisions of the Income Tax Act, 1961.

Deferred income tax is accounted for by computing the tax effect on timing differences which arise during the year and capable of reversal in subsequent periods.

##### (l) Foreign Currency Transaction:

The transactions in foreign currency are accounted at exchange rate prevailing on the date of transaction. Money items denominated in foreign currency outstanding at the year end are translated at the year end exchange rate and the unrealised exchange gain or loss is recognized in the profit and loss account.

#### 2 Contingent Liabilities:

₹ in lakh

31.03.2017 31.03.2016

Disputed Income Tax Liabilities 198.55 105.09

#### 3 Earnings in Foreign Exchange : ₹ Nil (P.Y. ₹ Nil)

Expenditure in Foreign Exchange : ₹ 1.12 Lakh (P.Y. ₹ 0.91 Lakh)

#### 4 Estimated amount of contracts remaining to be executed on capital account not provided for [Net of Advances] Rs 22.37 [Previous Year Rs. 22.37 Lakh]

#### 5 Investment in Subsidiaries

The subsidiaries [which along with Karma Energy Limited, the parent, constitute the Group] considered in the presentation of these consolidated financial statements are

Sr. No.	Name of the Entity	Country of Incorporation	% of Holding
1	Batot Hydro Power Limited	India	51.66
2	Brahmanvel Energy Limited	India	51.00
3	Greenweiz Projects Limited	India	100.00
4	Khandesh Energy Projects Limited	India	51.00
5	Vajharpada Energy Limited	India	100.00

Key Management Personnel - Mr. Ganesh N. Kamath -  
Managing Director of Holding Company

#### Interest in Associates

The Group's associates are

Sr. No.	Name of the Entity	Country of Incorporation	% of Holding
1	Weizmann Corporate Services Ltd	India	31.92
2	Baledh Energy Projects Ltd **	India	35.30

\*\* wef from 10.09.2016

#### Carrying cost of Investment in Associates

Sr. No.	Particulars	Weizmann Corporate Services Ltd	Baledh Energy Projects Ltd
1	No of Equity shares held	15960	17648
		(15960)	(Nil)
2	% of holding	31.92%	35.30%
		(31.92%)	(Nil)
3	Cost of Investment	145.08	185.30
		(145.08)	(Nil)
4	Goodwill / (Capital Reserve) included in cost of Investment	145.08	185.30
		(145.08)	(Nil)
5	Share in accumulated profit/ (losses)	9.15	(0.12)
		(7.58)	(Nil)
6	Share of increase in reserve during the year	-	-
		(Nil)	(Nil)
7	Carrying cost	154.23	185.18
		(152.66)	(Nil)

## 6 Deferred Tax

The breakup of Net Deferred Tax Liability as on 31.03.2017 is as under:-  
(₹ in Lakh)

	31.03.2017	31.03.2016
<b>Deferred Tax Liabilities</b>		
Difference between Book and Tax Depreciation	1,633.06	2,086.72
Sub Total (a) ==>	1,633.06	2,086.72
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation	402.65	483.17
Brought Forward Business Loss	406.06	488.08
Others	23.19	32.84
Sub Total (b) ==>	831.90	1,004.09
<b>Net Deferred Tax Liability (a - b)</b>	<b>801.16</b>	<b>1,082.63</b>

## 7 Earnings Per Share

	31.03.2017	31.03.2016
Profit / (Loss) After Tax	(4.23)	(454.75)
Weighted Average number of Equity Shares	11569918	11569918
The Nominal Value Per Ordinary Share	10.00	10.00
Earnings Per Share (Basic & Diluted)	(0.04)	(3.93)

## 8 Related Party Disclosures for the year ended 31.03.2017

In accordance with the "Accounting Standard 18 – Related Party Disclosure" as per Companies (Accounting Standards) Rules, the Company has compiled and certified the required information as stated below:

### A Related Party and their Relationship

Key Management Personnel : Mr.Ganesh N.Kamath, Managing Director

### B Transactions with the related Parties (including transactions which are more than 10% of the total transactions of the same type with related parties)

Nature of Transaction	Key Management Personnel	
	31.03.2017	31.03.2016
<u>Remuneration</u>	<b>23.91</b>	<b>23.91</b>
G. N. Kamath	23.91	23.91

## 9 Denomination Statement for the period 08.11.2016 to 30.12.2016

	SBNs	Other denomination	Total
Closing Cash in Hand as on 08.11.2016	81,500.00	7,308.11	88,808.11
(+) Permitted Receipts		78,000.00	78,000.00
(-) Permitted Payment		(42,384.00)	(42,384.00)
(-) Amount Deposited in Bank	(81,500.00)	(10,500.00)	(92,000.00)
Closing Cash in Hand as on 30.12.2016	-	<b>32,424.11</b>	<b>32,424.11</b>

## 10 Segment Information

The Primary Business activity of the Company is that of Generation of Power from Renewable Energy Sources and hence there being only one reportable segment, segment reporting has not been furnished.

- 11 The company in respect of its 7.5 MW wind farm developed in three phases in Anantapur District, Andhra Pradesh has been selling the wind power to the state Distribution Licensee (DL) and have been raising invoice on them at Rs.3.37 per unit based on wind power tariff for a period of 20 years from the date of commissioning determined by the State Electricity Regulatory Commission of Andhra Pradesh (APERC). The Company has reversed / written off in books of accounts an amount of Rs.147.09 lac due to:

In respect of Phase-I and II of the wind farms, on the expiry of 20 year period of Power Purchase Agreements (PPA) in September 2015 and September 2016 respectively, the Distribution Licensee offered a unit rate of Rs.2.23 per unit the determination of which was challenged by the company before the State Electricity Regulatory Commission (APERC) who passed an adverse order against the company in February,2017

In respect of a 1.5 MW wind farm in the absence of PPA against invoices at Rs.3.37 per unit acknowledged by the DL, the settlement being made at Rs. 1.685 per unit in the absence of PPA.

- 13 Previous year figures have been regrouped and / or reclassified wherever necessary.

Signatures to the Notes 1 to 25 forming part of the **Consolidated Balance Sheet** as at **31.03.2017** and the **Statement of Consolidated Profit & Loss** for the year ended **31.03.2017**

As per our report of even date attached

For and on behalf of the Board

For U. B. Sura & Co.  
Chartered Accountants

For Shyam C. Agrawal & Co.  
Chartered Accountants

C. D. Mehra  
(Vice Chairman)  
DIN - 00022021

G. N. Kamath  
(Managing Director)  
DIN - 00040805

U. B. Sura

Proprietor

Membership No. 32026

Firm Regn. No. 110620W

Mumbai, Dated : 26.05.2017

Shyam C. Agrawal

Proprietor

Membership No. 31774

Firm Regn. No. 110243W

Mumbai, Dated : 26.05.2017

T. V. Subramanian

(Chief Financial Officer

& Company Secretary)



Additional information as required by Schedule III to the Companies Act, 2013,  
of enterprises consolidated as Subsidiary / Associate / Joint Ventures

(₹ in Lakh)

Name of the Enterprise	Net Assets i.e Total Assets minus Total Liabilities		Share of Profit or Loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount
<b>PARENT</b>				
Karma Energy Limited	96.11%	4,347.39	-4537.80%	191.95
<b>SUBSIDIARIES</b>				
Almi Hydro Electric Projects Limited	0.00%	(0.02)	0.47%	(0.02)
Baledh Energy Projects Limited	0.00%	(0.06)	1.42%	(0.06)
Batot Hydro Power Limited	29.10%	1,316.17	9837.35%	(416.12)
Brahmanvel Energy Limited	0.23%	10.48	6.71%	(0.28)
Greenweiz Projects Limited	19.67%	889.72	-300.47%	12.71
Joiner Hydro Power Projects Limited	0.00%	(0.05)	1.18%	(0.05)
Khandesh Energy Projects Limited	0.13%	5.77	26.57%	(1.12)
Vajharpada Energy Limited	0.03%	1.39	6.38%	(0.27)
<b>ASSOCIATES</b>				
Weizmann Corporate Services Limited	3.41%	154.23	-37.12%	1.57
Baledh Energy Projects Limited	4.09%	185.18	2.84%	(0.12)
Minority Interest	11.48%	519.04	4771.87%	(201.85)
Inter Company Adjustments	-64.25%	(2,906.02)	-9679.41%	409.44
<b>Total</b>	<b>100.00%</b>	<b>4,523.21</b>	<b>100.00%</b>	<b>(4.23)</b>

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures**

**Part "A" : Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs. Lacs)

1	Sl. No.	1	2	3	4	5
2	Name of the Subsidiary	Batot Hydro Power Ltd	Brahmanvel Energy Ltd	Greenweiz Projects Ltd	Khandesh Energy Projects Ltd	Vajharpada Energy Ltd
3	Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	No	No	No	No	No
4	Reporting Currency and Exchange Rate as on the last date of relevant Financial Year in the case of Foreign Subsidiaries	INR	INR	INR	INR	INR
5	Share Capital	3,500.00	5.00	495.00	5.00	5.00
6	Reserves & Surplus	(1,982.68)	5.62	394.72	1.32	(3.61)
7	Total Assets	3,902.33	173.05	895.69	87.11	29.25
8	Total Liabilities	3,902.33	173.05	895.69	87.11	29.25
9	Investments	-	-	-	-	-
10	Turnover	397.23	-	177.48	0.02	-
11	Profit before Taxation	(292.42)	(0.28)	6.69	(0.28)	(0.26)
12	Provision for Taxation	123.70	-	(6.02)	0.84	0.01
13	Profit after Taxation	(416.12)	(0.28)	12.71	(1.12)	(0.27)
14	Proposed Dividend	-	-	-	-	-
15	% of Shareholding	51.66	51.00	100.00	51.00	100.00

Notes : The following information shall be furnished at the end of the statement:

- |   |  |   |  |
|---|--|---|--|
| 1 | Names of Subsidiaries which are yet to commence operations               | : | Nil  |
| 2 | Names of Subsidiaries which have been liquidated or sold during the year | : | 1. Almi Hydro Electric Projects Ltd<br>2. Baledh Energy Projects Ltd<br>3. Joiner Hydro Power Projects Ltd |

**Part "B" : Associates and Joint Ventures**

	Name of the Associates / Joint Ventures	Weizmann Corporate Services Ltd	Baledh Energy Projects Ltd
1	Latest Audited Balance Sheet Date	31.03.2017	31.03.2017
2	Shares of Associate / Joint Ventures held by the Company on the year end		
	No	15960	17648
	Amount of Investment in Associates / Joint Venture	14,508,220	18,530,000
	Extend of Holding %	31.92%	35.30%
3	Description of how there is significant influence	More than 20%	More than 20%
4	Reason why the Associate / Joint Venture is not consolidated	Not Applicable	Not Applicable
5	Networth attributable to Shareholding as per latest Audited Balance Sheet	2.10	(0.28)
6	Profit / (Loss) for the year		
	a) Considered in Consolidation	1.57	(0.12)
	b) Not Considered in Consolidation	4.91	(0.35)

Notes : The following information shall be furnished at the end of the statement:

- |   |   |   |     |
|---|---|---|-----|
| 1 | Names of Associate or Joint Ventures which are yet to commence operations               | : | Nil |
| 2 | Names of Associate or Joint Ventures which have been liquidated or sold during the year | : | Nil |



Regd. Office : Empire House, 214, Dr. D. N. Road, Ent. A.K. Nayak Marg, Fort, Mumbai – 1  
Tel : 022-22071501-06, Fax : 022-22071514, Email : investorsgrievance@weizmann.co.in

## PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration Rules, 2014)]

Name of the member(s)	:
Registered address	:
Email id	:
Folio No. / *Client ID	:
*DP ID	:
Number of Shares	:

\* Applicable to shareholders holding shares in electronic form

I/We being members of Karma Energy Ltd, hereby appoint :

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Email id: \_\_\_\_\_

Signature :

or failing him

2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Email id: \_\_\_\_\_

Signature :

or failing him

3. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Email id: \_\_\_\_\_

Signature :

or failing him

as my / our proxy to attend and vote (on poll) for me/s and on my/our behalf at the 10th Annual General Meeting of the Company, to be held on the 23rd day of August, 2017 at 3.45 p.m or soon after the conclusion of the Annual General Meeting of Weizmann Forex Ltd whichever is later at Babasaheb Dahanukar Hall, Maharashtra Chamber of Commerce, 6th Floor, Orion House, Kaala Ghoda, Mumbai – 400 001 and at any adjournment thereof in respect of such resolution as are indicated below :

Resolution No.	Description	For	Against
1.	Adoption of Financial Statements, Directors and Auditor's report for the year ended 31st March, 2017.		
2.	Re-appointment of Shri Neelkamal V. Siraj as Director, who retires by Rotation		
3.	Re-appointment of Shri Dharmendra G. Siraj as Director, who retires by Rotation		
4.	Appointment of Statutory Auditors		
5.	Appointment of Shri Balady S. Shetty as Director of the Company		
6.	Re-appointment of Shri Ganesh N. Kamath as Managing Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature or proxy

Note :

1. This 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.
2. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent, 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 member.



(Corporate Identity Number : L31101MH2007PLC168823)

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