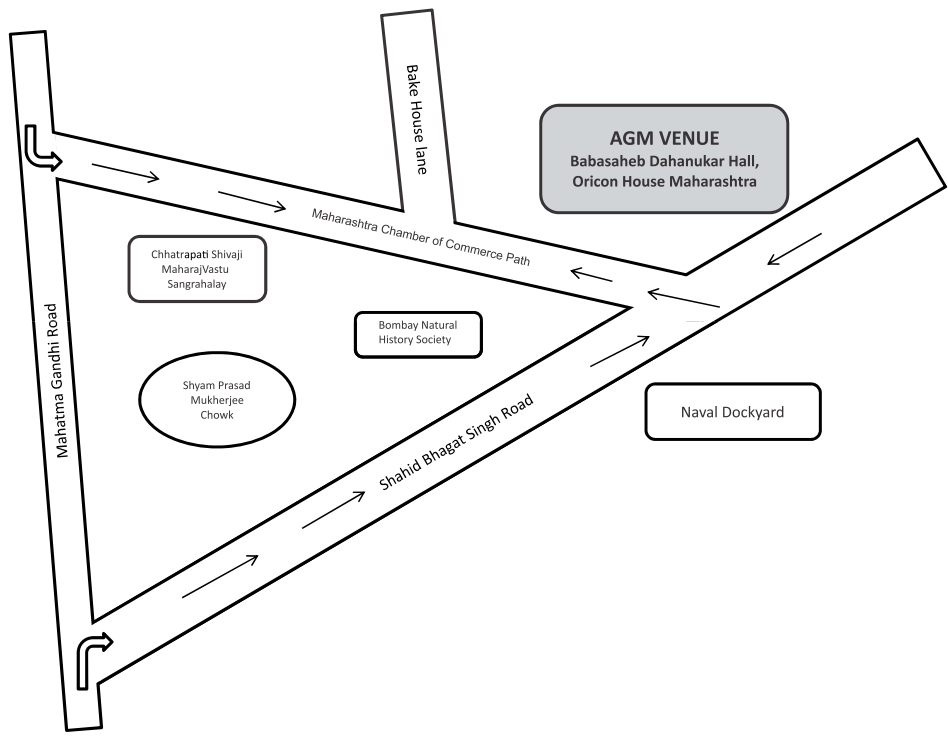




11th Annual Report
2017-2018

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.



BOARD OF DIRECTORS

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

BANKERS

HDFC Bank
 UCO Bank

AUDITORS

M/s Batliboi & Purohit

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
 Website : karmaenergy.co
 CIN : L31101MH2007PLC168823

WIND POWER PLANTS

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

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11th ANNUAL GENERAL MEETING OF KARMA ENERGY LIMITED on TUESDAY, 7th AUGUST, 2018 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 Apartment, Marol-Maroshi Road, Andheri (E), Mumbai - 400 059.
 Tel. No.: 62638200 Fax No.: 62638299
 Email : 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 11th Annual General Meeting of the Members of KARMA ENERGY LIMITED will be held on Tuesday, August 7, 2018 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 Audited Financial Statements of the Company for the Financial year ended 31st March, 2018 on Standalone and consolidated basis and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Chetan D. Mehra (holding DIN 00022021), who retires by rotation and, being eligible, offers himself for re- appointment.

SPECIAL BUSINESS

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

RESOLVED THAT Pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mrs. Smita V. Davda (DIN00050218), a non-executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from November 17, 2017 up to November 16, 2022."

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an 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 DIN00040805), who was re-appointed as Managing Director by the Board of Directors with effect from 1st December, 2017 under the Articles of Association of the Company for a term of 1 year effective from 1st December, 2017, 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 :29th May 2018

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 Chetan D. Mehra (DIN : 00022021) Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The Board of Directors of the Company recommends re-appointment of Shri Chetan D. Mehra.

- 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 July 31, 2018 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.
- 7) Information on Directors recommended for appointment / re-appointment at the Annual General Meeting in terms of Regulation 39(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
- 8) 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 registering 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.

- 9) 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.
- 10) The Annual Report for 2018 can be accessed from company's website 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 2018 is being sent in the permitted mode.
- 11) Electronic copy of the Notice of the 11th 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 11th 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.

12) 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. July 31, 2018 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 48 hours 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 any one 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 and on NSDL website viz. www.evoting.nsd.com and shall also be displayed at Company's registered and corporate office.

13. 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 remote e-voting period commences on 4th August, 2018 (9:00 am) and ends on 6th August, 2018 (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 31st July, 2018, 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.

IV. The process and manner for remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:

<https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at

<https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example if folio number is 001*** and EVEN is 108655 then user ID is 108655001***.

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a. pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mferraocs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- V. 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 31st July, 2018.
- VI. Once the vote on a resolution is cast by a Member through remote e-voting, he/she/it shall not be allowed to change it subsequently or cast the vote again.
- VII. 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. 31st July, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
- VIII. 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.
- IX. 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 i.e., 31st July, 2018 only shall be entitled to avail the

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

- X. Mr. Martinho Ferrao, Practicing Company Secretary (Membership No. 6221) and Proprietor of M/s. Martinho Ferrao & Associates has been appointed 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.
- XI. 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” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XII. 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 forty eight hours 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.
- XIII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company 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 the BSE Limited and National Stock Exchange of India Ltd., Mumbai.
14. 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 am to 6.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
15. 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.
16. The Landmark and route map to the venue of the AGM is attached and forms part of this Annual Report.

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. 3 & 4 of the accompanying notice dated 29th May, 2018.

In respect of item No.3

Smt. Smita V. Davda was appointed as a Non-Independent Women Director on 20th March, 2015. She was considered Non-Independent because her husband Shri Vinesh N. Davda was also a Director in the Company. Consequent upon the resignation of Shri Vinesh N. Davda with effect from 17th November, 2017, the categorization of Smt. Smita

V. Davda changed to Independent Director as she satisfies all the criteria for being considered as an Independent Director.

The Board recommends the resolution at item No.3 of this Notice for approval of the members.

Except for Smt. Smita V. Davda and her relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested, in the Resolution set out at Item No. 3 of this Notice.

In respect of item No.4

The Board of Directors at their meeting held on November 17, 2017 re-appointed Shri Ganesh N. Kamath as Managing Director of the Company subject to necessary approvals with effect from 1st December, 2017 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 2017

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. 4 of the accompanying notice for the approval of the members.

By Order of the Board

Place : Mumbai
Date : 29th May 2018

T. V. Subramanian
CFO & Company Secretary

Details of Directors seeking appointment / re-appointment at the Annual General Meeting

Particulars	Shri Chetan D. Mehra	Smt. Smita V. Davda
Date of Birth	02 nd October, 1966	06 th March, 1962
Date of Appointment	15 th March, 2007	20 th March, 2015
Qualifications	B.Sc	B.Com
Expertise in specific functional areas	Has over 32 years of experience in Textile exports, full-fledged Money Changing, Housing and Consumer Finance, and Wind-farm / Hydro-power development, has overseen the Weizmann Group's steady growth and ensured its profitable business record. Active for over a decade in mentoring other Weizmann companies who are engaged in the renewable energy sector, has also engineered financial and technical JVs with leading business houses for wind-farm development and manufacture of wind-electric generators, has been responsible for financial tie-ups in the form of capital-infusion in housing finance by international financial institutions and public sector banks, has also successfully promoted Weizmann Homes Ltd. till the divestment of its stake in favour of AIG, the world's largest insurance group,	She has over 27 years of experience in the Records and Information Management industry spanning business analytics, technology, operations and business development. She successfully led Navbharat Archive XPress Pvt. Ltd a document archival company to great heights till the divestment of its stake.
Directorships held in other Public Companies (Excluding foreign companies and Section 8 companies)	Avinaya Resources Ltd Batot Hydro Power Ltd Kotta Enterprises Ltd Malayamarutha Energy Projects Ltd Purvaja Projects Ltd Weizmann Ltd Weizmann Forex Ltd Weizmann Impex Service Enterprise Ltd	Weizmann Ltd Weizmann Forex Ltd
Memberships / Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders' Committee)	Member of the Audit Committee of Batot Hydro Power Ltd	Chairperson and member of the stake holders relationship committee of Weizmann Ltd and Weizmann Forex Ltd respectively.
Number of Shares held in the Company	370247 Equity Shares	Nil

The aforesaid Directors are not related to any other Directors

DIRECTORS' REPORT TO THE MEMBERS OF KARMA ENERGY LIMITED

The Directors are pleased to present this **Eleventh** Annual Report and the Audited Statement of Accounts for the year ended March 31, 2018.

1. FINANCIAL RESULTS

(Rs. in lakh)

Particulars	2017-2018	2016-2017
Total Income including exceptional items	3380.59	2861.50
Profit / (Loss) Before Depreciation	369.73	404.68
Less : Depreciation	497.98	498.07
Profit / (Loss) Before Tax	(128.25)	(93.39)
Less : Income Tax	101.87	127.87
Less : Deferred Tax	(117.88)	(406.73)
Profit / (Loss) After Tax	(112.24)	185.47
Other Comprehensive Income Net of Tax	1976.44	573.41
Total Comprehensive Income for the year	1864.20	758.88

The consolidated Financial Statements of the Company and its subsidiaries and associates, prepared in accordance with Indian Accounting Standards (IND AS) including the Rules notified under the relevant provisions of the Companies Act, 2013, form part of the Annual Report and Accounts. The Company has adopted IND AS w.e.f. 01.04.2017, the date from which the said standards are mandatorily applicable and accordingly has changed number of Accounting Policies as detailed in "Significant Accounting Policies" forming part of Financial Statements for F.Y. 2017-18 in line with the applicable INDAS. Figures for F.Y. 2016-17 has been restated as per IND AS and therefore may not be comparable with Financials for F.Y. 2016-17 approved by the Directors and disclosed in the Financial Statements of the previous year.

2. DIVIDEND AND RESERVES

Your Directors have not recommended dividend (previous year Rs. NIL per share) for financial year 2017-18 on account of the need to conserve the resources as the payments from the utilities have not been regular as per the due dates and in certain states payments itself not forthcoming due to pending regulatory approval on tariff determination for executing Power Purchase Agreement with the state utility. No amounts have been transferred to Reserves during the year.

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.3380.59 Lakh as compared to Rs.2861.50 Lakh in the previous year. The Profit before depreciation achieved was Rs.369.73 Lakh (Previous year Rs.404.68 Lakh). The Loss after Tax was Rs.112.24 Lakh (Previous year profit of Rs.185.47 Lakh). As per the IND AS other comprehensive income for the year 2017-2018 was Rs.1976.44 Lakh (Previous year Rs.573.41 Lakh) and total comprehensive income for

the year was Rs.1864.20 Lakh (Previous Year Rs.758.88 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.

As far as Renewable Energy Certificates (RECs) are concerned, after 2 to 3 years of lack of off take of RECs in the Electricity Exchange market, the last five months of the financial year 2017-18 witnessed quantum sales of RECs resulting in the entire stock on hand till February 2018 being sold in the market fetching a sale consideration of Rs.933.36 Lakh in 2017-18 as compared to Rs.145.31 Lakh in 2016-17.

With respect to realization of generation proceeds from state utilities, there has been substantial improvement in 2017-18 as compared to the previous couple of years. As far as Company's Wind Electric Generators (WEGs) in Maharashtra is concerned, the open access approval was granted in time which facilitated sale of power to third parties and realization of the proceeds on time. However, the open access charges have been increased multiple times / new levy commenced in November 2016 as per the orders of Maharashtra State Electricity Regulatory Commission and consequently net realization has been adversely affected but sale to third party facilitates quicker realization of the generation proceeds vis-à-vis sale of power to State utility.

In respect of Company's WEGs in Tamil Nadu, there has been substantial improvement in release of payments by the state utility. However in respect of Company's WEGs in Andhra Pradesh is concerned, the rough weather continues. The generation proceeds received only at 50% of the tariff for the period January 2011 to May 2014 has been held up due to the state bifurcation with the utility of each state passing the bucks to the other necessitating the Company to file a writ petition in the jurisdictional High Court.

For two phases of 3 MW each, the Power Purchase Agreement (PPA) had expired in August 2015 and September 2016 and the Company had approached the utilities to extend the PPA, however, the tariff offered was much less than that could be derived by applying all the applicable parameters laid down by State Electricity Regulatory Commission (APERC). The efforts of the Company before APERC failed resulting in it approaching the Appellate Tribunal for Electricity. In the meantime the state declared that they are power surplus and does not require any RE power. Considering all the facts including the litigation process in the country being lengthy and stretching endlessly the Company agreed with the state utility to sell the power at the low tariff stipulated by them. However, the matter is still pending before APERC. Consequently no generation proceeds are being received post the expiry of the PPA though power is being generated and fed into their grid.

5. SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES

Your company has 5 subsidiary companies 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 which in the business of carrying out operation & maintenance of wind farms. Batot is operating its 3.5 MW small hydro power Project. The generation from the project has been more or less same as that was achieved in 2016-17.

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.

The Company has 2 Associate Companies viz. Weizmann Corporate Services Ltd and 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 Director Shri Chetan D Mehra retires by rotation and, being eligible has offered himself 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 2017 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.

During the year Shri V P Kamath, an Independent Director and Shri Vinesh N Davda, a Non Executive Non Independent Director resigned from the Board.

Smt. Smita V Davda was a Non Independent Director since her husband Shri Vinesh N Davda was also a Director on the Board and consequently both of them

were considered as Non Independent as per Section 149 of the Companies Act, 2013. Consequent to Shri Vinesh N Davda resigning from the Board, Smt. Smita V Davda was re-categorized as Independent Director as she was satisfying all the criteria stipulated for the same under the statute. Accordingly an item is included in the Agenda for the ensuing AGM seeking approval of the members for Smt. Smita V Davda being considered as an Independent Director.

The Company had pursuant to Section 149(10) read with Section 152 of the Companies Act, 2013 has four independent directors viz. Shri Kishore M Vussonji, Shri Upkar Singh Kohli, Shri B S Shetty and Smt. Smita V. Davda who were / are appointed for a term of five consecutive years at the relevant Annual General Meetings.

The Board of Directors had five board meetings during financial year 2017-18.

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

7. RECONSTITUTION OF AUDIT & STAKEHOLDERS RELATIONSHIP COMMITTEE

Consequent to resignation of Shri V P Kamath – Chairman of Audit Committee, the Audit Committee was re-constituted as below :

Mr. B S Shetty – Independent Director – Chairman

Mr. U S Kohli – Independent Director – Member

Smt. Smita V Davda – Independent Director-Member

The Stakeholders Relationship Committee too was reconstituted as below :

Mr. Chetan D Mehra – Chairman

Mr. Dhermendra G Siraj – Member

Smt. Smita V Davda – Member

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 as well as the Nomination and Remuneration Committee 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>. The Company during Board Meetings itself updates all the Directors including Independent Directors on every aspect of the operations of the Company. During F.Y. 2017-18 Smt. Smita V Davda who was already a Non-Executive Director in the Company was appointed as an Independent director subject to approval of the Shareholders at the ensuing Annual General Meeting.

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

An extract of Annual Return as at 31.03.2018 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 safe guarding 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. The Company amends its policies based on developments in the regulatory forum and also to strengthen its corporate governance compliances.

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/hnnp.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, top 10 employees in terms of remuneration drawn 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 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 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. 2017-18.

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 Tenth Annual General Meeting (AGM) of the company held on August 23, 2017 Messrs. Batliboi & Purohit, Chartered Accountants was appointed as Statutory Auditors of the Company for a period of five years to hold office from the conclusion of the Tenth AGM until the conclusion of the Fifteenth AGM of the company. In terms of the provisions of the Companies Act, 2013, appointment of Auditors are required to be ratified by the shareholders in every AGM until the expiry of the period of original appointment as per the existing provisions of the Companies Act. However, under the Companies Amendment Act, 2017, the requirement of ratification in the proviso to section 139(1) of the Companies Act, 2013 stands deleted with effect from 07.05.2018.

In view of the above, there is no need for ratification of the appointment of the Statutory Auditors in the ensuing Annual General Meeting and hence there is no item in the Agenda in respect of the same.

27. SECRETARIAL AUDIT

Pursuant to requirement of section 204 of the Companies Act, 2013, the company had appointed Shri Martino Ferraro – Practicing Company Secretary (COP 5676) as Secretarial Auditor for financial year 2017-18 and whose report of May 9, 2018 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 :29th May, 2018

D G Siraj
Chairman

Annexure – I
Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : 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 : investorshelpdesk@weizmann.co.in
 vi) Whether Listed Company : Yes

- vii) Name, Address and Contact details of Registrar and Transfer Agent : Bigshare Services Private Limited
 E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400071. Tel : 40430200,
 Email : investor@bigshareonline.com

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

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1.	Batot Hydro Power Ltd	U51909MH2002PLC135840	Subsidiary	51.66%	2(87)
2.	Brahmanvel Energy Ltd	U51909MH2003PLC139998	Subsidiary	51%	2(87)
3.	Baledh Energy Project Ltd	U40100MH2003PCL139699	Associate	35.30%	2(6)
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	
A. Promoters(1) Indian									
(a) Individual / HUF	3020155	-	3020155	26.10	3020155	-	3020155	26.10	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
© State Govt.	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	5623891	-	5623891	48.61	5623891	-	5623891	48.61	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	8644046	-	8644046	74.71	8644046	-	8644046	74.71	-
(2) Foreign									
(a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	8644046	-	8644046	74.71	8644046	-	8644046	74.71	-

B. Public Shareholding									
1. Institutions									
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) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	66	133	199	0.001	66	133	199	0.001	-
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	406470	2634	409104	3.54	372732	2634	375366	3.24	0.30
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 Lakh	1171999	446112	1618111	13.99	1158302	432015	1590317	13.75	0.24
ii) Individual shareholders holding nominal share capital in excess of Rs.2 Lakh	309412	47270	356682	3.08	770103	47270	817373	7.06	(3.98)
c) Others(Trust)	53	-	53		53	-	53		-
i) NRI's	43977	67804	111781	0.97	65056	65437	130493	1.13	(0.16)
ii) Demat Transit / Clearing Member	429942	-	429942	3.72	12071	-	12071	0.10	3.62
Sub-total (B)(2):-	2361853	563820	2925673	25.29	2378317	547356	2925673	25.29	(0.09)
Total Public Shareholding (B) = (B)(1)+(B)(2)	2361919	563953	2925872	25.29	2378383	547489	2925872	25.29	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total(A+B+C)	11005965	563953	11569918	100.00	11022429	547489	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	370247	3.20	-	370247	3.20	-	-
2.	Dharmendra Siraj	828345	7.16	-	828345	7.16	-	-
3.	Anju Siraj	988097	8.54	-	988097	8.54	-	-
4.	Radhika Mehra	796715	6.89	-	796715	6.89	-	-
5.	Sweta Siraj Mehta	16629	0.14	-	16629	0.14	-	-
6.	Isha Siraj Kedia	16629	0.14	-	16629	0.14	-	-
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	-	245308	2.12	-	0.09
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	1023804	8.85	-	956614	8.27	-	0.58
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	2040943	17.64	-	2119442	18.32	-	(0.68)
	Total	8644046	74.71	-	8644046	74.71	-	-

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	8644046	74.71	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):	-	-	-	-
	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		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
	For Each of the Top 10 Shareholders				
	At the beginning of the year				
1.	Mohanchand H	120500	1.04	157500	1.36
2.	Kanchan Sunil Singhania	57908	0.50	19325	0.16
3.	Meghna Pratik Doshi	47425	0.40	240328	2.08
4.	Mansi Hitesh Siraj	30070	0.25	30070	0.25
5.	Maneka Hitesh Siraj	30070	0.25	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	-	-
10.	Kalyani Kumarbhai Sanatan	11800	0.10	10721	0.09

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No	For Each of the Director 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	370247	3.20	370247	3.20
	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	370247	3.20	370247	3.20
2.	Dharmendra Siraj	828345	7.16	828345	7.16
	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	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.	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	-	-	-	-
5.	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	-	-	-	-
6.	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	-	-	-	-
7.	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	-	-	-	-
8.	Balady S. Shetty	133	0.001	133	0.001
	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	133	0.001	133	0.001
9.	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	2011,55,311.63	3879,53,913.00	-	5891,09,224.63
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	38,17,887.00	-	-	38,17,887.00
Total (i+ii+iii)	2049,73,198.63	3879,53,913.00	-	5929,27,111.63
Change in Indebtedness during the financial year				
* Addition	4000,00,000.00	2258,46,087.00	-	6258,46,087.00
* Reduction	1617,93,691.96	6138,00,000.00	-	7755,93,691.96
Net Change	2382,06,308.04	-3879,53,913.00	-	-1497,47,604.96
Indebtedness at the end of the financial year				
i) Principal Amount	4422,10,008.67	-	-	4422,10,008.67
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	9,69,498.00	-	-	9,69,498.00
Total (i+ii+iii)	4431,79,506.67	-	-	4431,79,506.67

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/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	20.88				20.88
	(b) Value of Perquisite u/s 17(2) Income Tax Act, 1961	0.09				0.09
	(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	0	0	0	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	Balady Shetty		
1.	Independent Directors						
	* Fee for attending board committee meetings	0.20	0.09	0.23	0.32	0.84	
	* Commission	-	-	-	-	-	
	* Others, please specify	-	-	-	-	-	
	Total (1)	0.20	0.09	0.23	0.32	0.84	
2.	Other Non-Executive Directors	Vinesh Davda	Chetan Mehra	Dharmendra Siraj	Smita Davda	Neelkamal Siraj	Total Amount
	· Fee for attending board committee meetings	0.07	0.20	0.18	0.13	0.15	0.73
	· Commission	-	-	-	-	-	-
	· Others, please specify						
	Total (2)	0.07	0.20	0.18	0.13	0.15	0.73
	Total (B) = (1+2)	0.27	0.29	0.41	0.13	0.15	1.57
	Total Managerial Remuneration	N.A.	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.	N.A.

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CEO	Company Secretary & CFO	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	79.44	79.44
	(b) Value of Perquisite u/s 17(2) Income Tax Act, 1961	-	5.46	5.46
	(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	-	-	-
	Total	-	84.90	84.90

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
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 is committed to good Corporate Governance. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of the stakeholders. 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. Your company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as applicable with regard to Corporate Governance.

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 Current strength of the Board is Eight. 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, 2018 were as under.

Category	Particulars of the Directors
Non Executive – Non Independent	Shri Dharmendra G. Siraj - Chairman Shri Chetan D. Mehra - Vice Chairman Shri Neelkamal . V. Siraj
Non Executive – Independent	Shri Upkarsingh Kohli Shri Kishore N. Vussonji Shri Balady S. Shetty
Non-Executive 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 2017-2018 the Board held five meetings on May 24, 2017 later adjourned to May 26, 2017, September 13, 2017, November 17, 2017 February 5, 2018 and February 20, 2018

The Board at every Board Meeting 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 2017-2018 and the last AGM held on August 23, 2017.

Directors	Meetings held during the tenure of Directors	Meetings Attended	Attendance at last AGM	No. of other Directorship held #	No. of other Committee Memberships held
Shri D G Siraj	5	3	Yes	9	4
Shri CD Mehra	5	4	Yes	8	1
Shri N V Siraj	5	3	Yes	8	-
Shri GN Kamath	5	5	Yes	9	-
Shri US Kohli	5	4	No	2	1
Shri KM Vussonji	5	1	Yes	5	7
Smt. S V Davda	5	2	Yes	2	2
Shri BS Shetty	5	4	Yes	6	1

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)

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 1st March, 2018
1.	Shri Dharmendra G. Siraj	8,28,345
2.	Shri Chetan D. Mehra	3,70,247
3.	Shri Neelkamal V. Siraj	Nil
4.	Shri Kishore M. Vussonji	Nil
5.	Shri Upkar Singh Kohli	Nil
6.	Smt. Smita V. Davda	Nil
7.	Shri Balady S. Shetty	133

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 (Listing Obligations and Disclosure Requirements) Regulations, 2015 read in conjunction with Section 177 of the Companies Act, 2013. The Audit Committee comprised of Shri Vishnu P. Kamath as Chairman, Shri Dharmendra G. Siraj and Shri Balady S. Shetty as members till 17th November, 2017 post which the Audit Committee was reconstituted on account of resignation of Shri Vishnu P. Kamath from the Board of the Company and the Audit Committee presently comprises of Shri Balady S. Shetty as the Chairman, Shri Upkar Singh Kohli and Smt. Smita V. Davda 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, 2017, September 13, 2017, November 17, 2017 and February 05, 2018.

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 2017-18	
		Held	Attended
*Shri V. P. Kamath	Non-Executive Independent	3	3
*Shri D. G. Siraj	Non-Executive	3	1
Shri B. S. Shetty	Non-Executive Independent	4	4
Shri U. S. Kohli	Non-Executive Independent	1	1
Smt. S. V. Davda	Non-Executive Independent	1	1

* ceased to be Member of the Audit committee with effect from 17th November, 2017

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. Post the resignation of Shri Vishnu P. Kamath from the Board of Directors of the Company and consequently from the Nomination and Remuneration committee of the Company, Shri Upkar Singh Kohli, an Independent Director of the Company has been inducted as member of the said committee effective from November 17, 2017.

Name	Category	Number of Meetings during the year 2017-18	
		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
Shri U. S. Kohli	Non-Executive Independent	-	-

* ceased to be Director with effect from 17th November, 2017

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 with emphasis on renewable energy, 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 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, 2017 to 31st March, 2018 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	-	3.84	2.07

Notes : The agreement with Managing Director is for a period of 1 year from 1st December, 2017.

* 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 reconstituted Stakeholders Relationship Committee consequent to the resignation of Shri Vishnu P. Kamath and Shri Vinesh N. Davda from the Board of Directors of the Company effective from November 17, 2017 comprises of Shri Chetan D. Mehra as the Chairman, Shri Dharmendra G. Siraj and Smt Smita V. 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 on 16th November, 2017 during the financial year. 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 2017-18	
		Held	Attended
*Shri V. P. Kamath	Non-Executive Independent	1	1
Shri D. G. Siraj	Non-Executive	1	1
Smt S. V. Davda	Non-Executive Independent	1	1

* ceased to be Director of the company with effect from 17th November, 2017.

There were 4 complaints received from the shareholders during the financial year ended 31st March, 2018 and all stood resolved.

6. Independent Directors Meeting

During the year under review, the Independent Directors met on 05th February, 2018, 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

7. 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

8. 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 except the sitting fees for the Board and Committee Meetings attended.

9. General Body Meetings

Details of the last three Annual General Meetings (AGMs)

Date & Year	Time	Location where AGM held in the last 3years.
23/08/2017; 2016-2017	3.45 p.m	Maharashtra Chamber of Commerce, Oricon House, 6 th Floor, Maharashtra Chamber of Commerce path, Kalaghoda, Mumbai – 400 001
02/09/2016; 2015-2016	3.45 p.m	Maharashtra Chamber of Commerce, Oricon House, 6 th 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, 6 th Floor, Maharashtra Chamber of Commerce path, Kalaghoda, Mumbai – 400 001

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

10. 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 32 of the Notes to Accounts attached to the annual accounts for the financial year ended 31st March, 2018. 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

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

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

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

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

11. 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. 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

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, 2018.

Date : 29th May, 2018
Mumbai

Sd/-
Ganesh N. Kamath
Managing Director

12. 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.

13. Subsidiary Companies

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

14. Means of Communication

Half yearly report sent to each household of

Shareholders	- No
Quarterly results usually published in	- Financial Express (Proposed) (English daily)
	- Tarun Bharat (Marathi daily)
Any website where displayed	- www.karmaenergy.co www.nseindia.com 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

15. General Shareholder Information

a) 11th Annual General Meeting- Day, Date, Time and Venue

Day	Date	Time	Venue
Tuesday	07/08/2018	3.45 p.m.	Maharashtra Chamber of Commerce, Oricon House, 6 th Floor, Maharashtra Chamber of Commerce path, Kalaghoda, Mumbai – 400 001

b) Financial Calendar

Financial Year : 1st April, 2018 to 31st March 2019

Adoption of Quarterly

Results for the quarter ending

June, 2018 : August, 2018

September, 2018 : November, 2018

December, 2018 : February, 2019

March, 2019 : May, 2019

Book Closure Date : 31st July, 2018

Dividend Payment : Not Applicable

c) Listing on Stock Exchanges : BSE & NSE

d) Stock Exchange Codes :

The Stock Exchange, Mumbai : 533451

National Stock Exchange of India : KARMAENG

ISIN NO. : INE725L01011

e) **Market Price Data/Performance:**

Month	BSE		S&P SENSEX	
	High (Rs.)	Low (Rs.)	High	Low
April, 2017	52.95	42.00	30184.22	29241.48
May, 2017	47.50	34.85	31255.28	29804.12
June, 2017	57.25	33.00	31522.87	30680.66
July, 2017	45.00	37.90	32672.66	31017.11
August, 2017	40.85	34.00	32686.48	31128.02
September, 2017	40.85	34.50	32524.11	31081.83
October, 2017	59.70	34.35	33340.17	31440.48
November, 2017	44.45	37.20	33865.95	32683.59
December, 2017	44.70	38.45	34137.97	32565.16
January, 2018	46.90	38.10	36443.98	33703.37
February, 2018	42.20	33.40	36256.83	33482.81
March, 2018	37.00	29.70	34278.63	32483.84

Month	NSE		NIFTY MIDCAP FIFTY	
	High (Rs.)	Low (Rs.)	High	Low
April, 2017	51.95	41.75	4667.50	4384.60
May, 2017	49.00	34.50	4734.50	4307.30
June, 2017	55.20	33.55	4646.90	4419.30
July, 2017	44.55	38.00	4812.70	4522.90
August, 2017	40.65	35.05	4816.80	4399.10
September, 2017	38.95	33.25	5011.45	4601.15
October, 2017	61.20	33.60	5144.10	4705.15
November, 2017	42.95	37.35	5311.20	4999.50
December, 2017	43.15	38.00	5552.40	5076.00
January, 2018	46.80	38.60	5722.50	5310.70
February, 2018	41.95	34.55	5389.30	4787.90
March, 2018	37.20	29.45	5225.70	4795.10

f) **Registrar & Transfer Agent** : Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (E), Mumbai- 400 072
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. 1,10,22,429 Equity Shares representing 95.27 % of the share capital of the Company stands dematerialised as on 31st March, 2018. The

Shares of the Company are included under B group at the BSE Ltd. The shares are also traded at National Stock Exchange of India Ltd.

I **Shareholding Pattern as on 31st March 2018 :**

Sr. No	Category	No. of Equity Shares	Percentage of Shareholding
A	Promoters Holding Indian Promoters	8644046	74.71
B	Non Promoter Holding		
a	Mutual Funds & UTI	-	-
b	Banks, Financial Institutions Insurance Companies (Central / State Govt. Institutions/ Non Government Institutions)	199	0.001
c	FII's	Nil	Nil
C	Others		
a.	Private Corporate Bodies	375366	3.24
b.	Indian Public	2407743	20.82
c.	NRIs/OCBs	130493	1.13
d.	Any other (Demat Transit)	12071	0.10
	GRAND TOTAL	11569918	100.00

j) **Distribution of Shareholding as on 31st March 2018:**

Range (In Rs)	Total Holders	Total Holdings in Rupees
1 – 5000	8117	8600790
5001 – 10000	358	2612600
10001 – 20000	155	2106180
20001 – 30000	38	920070
30001 – 40000	21	766870
40001 – 50000	8	363520
50001 – 100000	25	1738200
100001 – 999999999	31	98590950
Total	8753	115699180

k) **Outstanding GDR's / ADR's / Warrants or any Convertible instruments, conversion date and Likely impact on equity** - Not Applicable

l) **Wind Power Plant Location** - Andhra Pradesh –Anantpur, Tamilnadu –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

Registrar & Share Transfer Agent

- Bigshare Services Pvt. Ltd.,
E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East),
Mumbai - 400 072.
Tel : 62638200, Fax, 62638299
Email : info@bigshareonline.com
Website : www.bigshareonline.com

n) Dedicated email id for investor complaints

- investorhelpdesk@weizmann.co.in

o) Equity Shares in Suspense Account

There are no shares in unclaimed/ suspense account for the financial year 2017-18

p) Transfer of unclaimed shares to Investor Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Companies Act, 2013, rules and amendments made thereunder and Investor Education and Protection Fund Rules as amended from time to time, dividend which lies unclaimed/unpaid for a period of seven years shall be transferred to IEPF. All shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred by the company to Investor Education and Protection Fund. Shareholders are requested to note that any amount lying in the unclaimed dividend account pertaining to final dividend of FY 2010-11 along with the unclaimed shares is due to be transferred to IEPF on 4th November 2018. Shareholders are requested to claim their unpaid dividend if any, on or before the due date by writing to the Company or its RTA Bigshare Services Private Limited. No claim shall lie against the Company or IEPF once the shares/unpaid dividend is transferred to IEPF.

Certificate on Compliance of Conditions of Corporate Governance**To the members of****Karma Energy Limited**

We have examined the compliance of conditions of corporate governance by Karma Energy Limited ('the Company') for the year ended 31st March, 2018 as stipulated in Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us we certify that the Company has complied with the conditions of corporate governance as stipulated in Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

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 and on behalf of

MARTINHO FERRAO & ASSOCIATES
Company Secretaries

Sd/-
Martinho Ferrao
Proprietor
COP. No. 5676
Membership No. 6221

Mumbai, 29th May, 2018

Annexure - III

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

BUSINESS REVIEW

General Economy

The global economy recovered after a decade long slow growth environment characterized by productivity growth crisis. Both advanced and emerging market economies have gathered momentum. As per RBI Report the potential trade wars and financial market volatility definitely poses a threat. US and other major economies like China have been imposing, high tariffs on imports from each other and deviating from the principles of reduction and elimination of trade barriers globally for which the World Trade forum have been striving for decades. The crude oil prices have been rising and reflect high volatility.

As far as Indian economy is concerned, the revised GDP growth is marginally high at 6.6% which is much lower than the figure achieved at 7.1% in 2016-17. Apart from many factors and the various sectors like agriculture, industry and service sector reflected a see-saw movement in growth during 2017-18, the Goods and Services Tax (GST) implementation is having an adverse effect so far on the growth parameters even though it is presumed that it is only a transitional phase. There has been adverse effect on urban consumption through loss of output and employment in the labour intensive unorganized sectors.

The outlook for 2018-19 prima facie appears encouraging due to several factors. It is seen that there are now clearer signs of revival in investment activity as reflected in expansion in capital goods manufacturing and rising imports. Supplementing the same is global demand improving, which could result in boost to Country's exports. As a result on an average the GDP growth is expected to touch 7% to 7.2% in 2018-19 from 6.6% in 2017-18.

Company Business

The progress of the Company is squarely dependent on renewable energy policies of the Centre as well as States in which it has its wind farms. More than the policies it is the implementation of the policies in a timely manner by the State Utilities as well as the State Electricity Regulatory Commission. In 2017-18 the wind power generation recorded was marginally less as compared to 2016-17 wherein we had a very good monsoon after two consecutive drought years.

The general renewable energy sector have been passing through rough patches for almost 2 to 3 years with many a leading manufacturers of Wind Electric Generators closing shop.

The approach of state utilities in various states have also not been encouraging as they compound the woes by delay in grant of open access approvals, delay in signing of PPA, inordinate delays in settlement of generation dues and enter into litigation which means for few years no concrete results are expected on account of the legal systems in the country. The incremental capacity additions in the industry have been less on year to year basis. Already with withdrawal of generation based incentive and curtailment of accelerated depreciation have dampened the Indian investors even though few entities have been able to infuse life through funds received from overseas.

The competitive bidding resorted to by Government entities and certain developers vying for the contracts in the parched scenario of development have been quoting rock bottom price per unit of wind power and consequently many state utilities and even Electricity Regulatory Commissions who have after due public hearings decided on a good and competitive feed in tariff to have second thoughts as the rate discovered through competitive bidding have been many a times even 50% of the preferential tariff determined by Electricity Regulatory Commissions. The net effect of the above is that the next couple of year may not be an encouraging one for renewable energy sector.

The silver lining in 2017-18 was the off take of renewable energy certificates in the Electricity Exchange markets in the last five months of the Financial Year resulting in wipe out of all unsold stock of many a developers and huge inflows of funds to these developers. However, the CERC Regulations of March 2017 reducing the floor price to Rs. 1000/- per REC from Rs. 1500/- per REC and its applicability on the then unsold stock and the Appellate Tribunal for Electricity upholding the regulation of CERC has resulted in about 30% reduction in the realization of the REC value which the developers would otherwise have been the beneficiaries.

The aggregate capacity of the installed wind farms is about 34.95 MW as at 31.03.2018.

OUTLOOK, OPPORTUNITIES AND THREATS

Though the Central Government had set a very high target for renewable energy capacity additions and wants the country to be counted at a higher level than at present level of 4 or 5 in the world order, in reality the objective

has not been percolated down the line to the state level. Utilities in most of the states are facing liquidity crisis with payments not forthcoming in a timely manner for wind power.

As far as company's wind farms are concerned, in the State of Maharashtra the sale is predominantly to third parties under open access and though payments are received in a timely manner and the state utility had also granted open access well in time in the last couple of years, the steep increase in the open access costs in the form of additional surcharge, cross subsidy surcharge and electricity duty has virtually halved the net realization from the sale. However still due to timely realization of the generation proceeds, the company had decided to sell power to third parties.

As far as Company's wind farms in Tamil Nadu is concerned, the payment position has substantially improved in 2017-18 as compared to last couple of years and the number of days outstanding has been brought low ten months even though ideally the payments ought to have been received within two months of raising invoice.

A positive development on the operational side is that there has been considerable less grid downtime due to better forecasting and scheduling of power in the state and consequently the valuable generation could be monetized which was hitherto not possible as due to grid being down, the wind mills had to be shut down.

As far as the Company's wind mills in Andhra Pradesh is concerned, there have been multiple issues in the form of non-receipt of generation proceeds to the extent of 50% for a three year period due to state bifurcation with utilities in each state passing the bucks to the other necessitating filing of writ petition in the jurisdiction Hon'ble High Court. Post state bifurcation, the power purchase agreements with state utility have expired and the utility was offering a rock bottom tariff which was not acceptable and the company had initiated litigation before State commission and then to the APTEL. However the state declared that they are power surplus and the company accepted the low tariff but the issue is pending approval from State Electricity regulatory Commission as a result company has not been receiving the generation proceeds for the last two to three years though the power is generated and fed into the grid as wind power once lost is lost forever.

RISKS AND CONCERNS

On the Renewable Energy Sector, the considerable delay in processing or decision making by state utilities and State Electricity Regulatory Commission and also the higher judicial authorities have been resulting in considerable strain on the liquidity front and also planning on the future projects.

The company had suffered considerably due to delay in grant of open access by the state utility in Maharashtra for two years and non-receipt of generation proceeds due to state bifurcation and delay in extension of Power Purchase Agreements in Andhra Pradesh - all on account of procedural delays and the state utility and also the litigation process being too much lengthy before judicial authorities. Compounding such delays have been the low tariff discovered in competitive bidding leading to many utilities having second thoughts on a fair preferential tariff agreed to as per Electricity Regulatory Commission orders and the state utilities discouraging sale to third parties by either delay in grant of open access, denying the open access or levying exorbitant cost making sale to third party uneconomical.

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.

**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[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,
Karma Energy Limited
214, Empire House, Dr. D. N. Road
Ent. A. K. NayakMarg,
Fort Mumbai – 400001

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, 2018**, 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 2018** 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 examination as per Regulation 40(9) SEBI of Listing Obligations and Disclosure Requirements) Regulations, 2015 for half year ended on March 2018, the following observation were made:

- (i) There were delays in three cases where the transfers were executed beyond 15 days from the date of lodgement, delay was due to technical issue with the Post office resulting in delayed dispatch of share certificates.
- (ii) Share Certificate in respect of request for exchange of duplicate certificates have not been issued within 30 days of lodgement, the delay was due to "In Person Verification" had to be carried out.

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 authorized 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
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 Ordinary Resolution in the Annual General Meeting of the Company held on 23rd August 2017, to appoint Shri Balady Shekar Shetty (DIN: 01262317) as a Director of the Company for a tenure of five consecutive years and whose office will not be liable to retire by rotation.
2. The Company had taken approval of the shareholders through Special Resolution in the Annual General Meeting of the Company held on 23rd August 2017, for re-appointment of Shri Ganesh N. Kamath (holding DIN : 00040805), who was reappointed 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.
3. The Board of Directors at their meeting held on 17th November, 2018 had decided acquisition of 7.2 MW wind farm from Weizmann Forex Ltd (WFL) through a process of scheme of Demerger of the wind power division of WFL with the company.
4. The Board of Directors at their meeting held on 20th February 2018 decided to revoke the resolution passed on 17th November 2017 in regard to acquisition of 7.2 MW Wind Farm from Weizmann Forex Ltd (WFL) through the process of scheme of demerger of the wind power division from WFL

**For Martinho Ferrao & Associates
Company Secretaries**

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

Place: Mumbai
Date: **May 09, 2018**

'Annexure A'

To,
The Members,
Karma Energy Limited
214, Empire House, Dr. D. N. Road
Ent. A. K. NayakMarg,
Fort Mumbai – 400001

Our report is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Martinho Ferrao & Associates
Company Secretaries**

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

Place: Mumbai
Date: **May 09, 2018**

Independent Auditor's Report

To the Members of Karma Energy Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Karma Energy Limited ('the Company'), which comprise the standalone balance sheet as at 31st March, 2018, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of cash flows and the standalone statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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 Standalone financial statements are free from material misstatement.

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

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

Opinion

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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its standalone profit (including other comprehensive income), its standalone cash flows and the standalone changes in equity for the year ended on that date.

Other matters

The comparative financial information of the Company for the transition date as at 1st April 2016 and year ended March 31, 2017 included in these standalone Ind AS financial statements are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 and March 31, 2017 dated 25th May 2016 and dated May 26, 2017 respectively expressed an unmodified opinion on those standalone financial statements and have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us. Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 43(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
- 2 As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the standalone balance sheet, the statement of standalone profit and loss including other comprehensive income, the standalone statement of cash flows and the standalone statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;
 - (e) on the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to 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 information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements; (refer note 27)
 - 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 outstanding during the year, which were required to be transferred to the Investor Education and Protection Fund by the Company.

For BATLIBOI & PUROHIT
Chartered Accountants
Firm Reg. No.: 101048W

Atul Mehta
Partner
Membership No: 15935

Place: Mumbai
Date: 29 May, 2018

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2018, we report that:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the previous year under a program of verification of fixed assets once in every 3 years, which in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were identified on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification of inventories (comprising of stores and spares only) at year-end, which in our opinion, is reasonable. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans to three bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima-facie, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest has not been stipulated. Loans given are demand loans. Repayments or receipts of principal amounts and interest have been received as and when demanded.
 - (c) There is no overdue amount remaining outstanding as at the year-end.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder.
- (vi) In our opinion and according to the information and explanations given to us, the maintenance of cost records under section 148 of the Act is not applicable to the Company. Accordingly, paragraph 3(iv) of the Order are not applicable to the Company.
- (vii)
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, employees' state insurance, duty of excise, sales tax, value added tax, duty of customs, service tax, Goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, and Goods and service tax, cess and other material statutory dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, outstanding dues of Income Tax that have not been deposited by the Company on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount (Rs. lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	94.69	A.Y. 2014-15	Commissioner of Income Tax (appeals)

- (viii) Based on our audit procedures and as per information and explanation given to us, the Company has not defaulted in repayment of loans to banks and financial institutions. The Company did not have any outstanding dues in respect of loans or borrowings from government or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Term loans obtained for operations of the company during the year were used to repay the existing inter-corporate loans.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

- (xi) The company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for **BATLIBOI & PUROHIT**
Chartered Accountants
Firm's Registration No.: 101048W

Atul Mehta
Partner
Membership No.: 15935
Place : Mumbai
Date : 29 May, 2018

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 31st March, 2018 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 Standalone 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **BATLIBOI & PUROHIT**

Chartered Accountants

Firm's Registration No.: 101048W

Atul Mehta

Partner

Membership No.: 15935

Place : Mumbai

Date : 29 May, 2018

Standalone Balance Sheet as at 31.03.2018

Rupees in Lakh

Particulars	Note No	As At		
		31.03.2018	31.03.2017	01.04.2016
ASSETS				
Non-Current Assets				
a Property, Plant and Equipment	2	4,291.81	4,789.40	5,286.77
b Capital Work in Progress		31.90	37.45	34.29
Financial Assets				
i Investments	3	7,860.96	5,312.65	4,174.87
ii Others	4	13.35	85.35	85.55
d Other Non-Current Assets	5	1.66	82.63	203.65
Current Assets				
a Inventories	6	48.33	54.47	57.19
Financial Assets				
i Trade Receivables	7	761.97	2,504.87	3,055.95
ii Cash and Cash Equivalents	8	427.27	18.23	42.70
iii Bank Balances other than (iii) above	9	13.64	396.73	387.58
iv Loans	10	655.16	-	-
v Others	11	-	-	1,033.10
c Other Current Assets	12	120.52	77.72	54.12
Total Assets		14,226.57	13,359.50	14,415.77
EQUITY AND LIABILITIES				
Equity				
a Equity Share capital	13	1,156.99	1,156.99	1,156.99
b Other Equity	14	6,212.06	4,347.87	3,588.99
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	15	3,576.33	648.32	2,002.02
b Provisions	16	22.28	23.66	58.39
c Deferred Tax Liabilities (Net)	29a	2,091.75	1,598.52	1,846.02
Current Liabilities				
Financial Liabilities				
i Borrowings	17	-	3,879.54	4,032.10
ii Trade Payables	18	78.69	81.92	247.23
iii Others	19	877.31	1,430.74	1,334.33
b Other Current Liabilities	20	90.67	60.38	39.26
c Provisions	21	15.53	25.31	6.23
d Current Tax Liabilities (Net)		104.96	106.25	104.21
Total Equity and Liabilities		14,226.57	13,359.50	14,415.77

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date attached
For and on behalf of the Board
For Batliboi & Purohit
Chartered Accountants
Firm Regn. No. 101048W
C. D. Mehra
 (Vice Chairman)
 DIN - 00022021

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

Atul Mehta
Partner
Membership No. 015935
Mumbai, Dated : 29.05.2018
T. V. Subramanian
 (Chief Financial Officer
 & Company Secretary)

Standalone Statement of Profit and Loss Account for the year ended 31.03.2018

Rupees in Lakh

Particulars	Note No	Year Ended	
		31.03.2018	31.03.2017
1 Income			
[a] Revenue from Operations	22	3,349.84	2,746.95
[b] Other Income	23	30.75	114.55
Total Income		3,380.59	2,861.50
2 Expenses			
[a] Operation and Maintenance Cost	24	1,593.45	833.18
[b] Employee Benefits Expense	25	235.53	341.50
[c] Finance Costs	26	458.37	776.82
[d] Depreciation and Amortisation Expense	2	497.98	498.07
[e] Bad Debts		493.30	349.08
[f] Other Expenses	27	230.21	156.24
Total Expenses		3,508.84	2,954.89
3 Profit / (Loss) before Tax (1 - 2)		(128.25)	(93.39)
4 Tax Expense:			
[a] Current Tax		101.87	127.87
[b] Deferred Tax	29a	(117.88)	(406.73)
Total Tax Expenses		(16.01)	(278.86)
5 Profit / (Loss) after Tax (3 - 4)		(112.24)	185.47
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Re-measurement Gains / (Losses) on defined benefit plans		54.37	11.38
Tax effect		(15.13)	(3.13)
Net Gain / (Loss) on Fair Value through OCI - Equity Securities		2,548.30	724.39
Tax effect		(611.10)	(159.23)
Total Other Comprehensive Income (Net of Tax)		1,976.44	573.41
Total Comprehensive Income for the year		1,864.20	758.88
6 Paid up Equity Share Capital (Rs 10/- Per Share)		1,156.99	1,156.99
7 Earning per Share (of Rs 10/- each)			
[a] Basic	31	(0.97)	1.60
[b] Diluted		(0.97)	1.60
See Accompanying Notes to the Financial Statements	1 to 40		

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Regn. No. 101048W

Atul Mehta
Partner
Membership No. 015935
Mumbai, Dated : 29.05.2018

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)

Standalone Statement of Changes in Equity for the year ended 31.03.2018

A. Equity Share Capital

Rupees in Lakh

Balance as on 01.04.2016	1,156.99
Changes during the year 2016-2017	-
Balance as on 31.03.2017	1,156.99
Balance as on 01.04.2017	1,156.99
Changes during the year 2017-2018	-
Balance as on 31.03.2018	1,156.99

B. Other Equity

As on 31.03.2017

	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Total
	General Reserve	Capital Reserve	Retained Earnings		
Balance at the beginning of the reporting period 01.04.2016	3,074.95	9.45	(109.47)	614.06	3,588.99
Total Comprehensive Income for the year	-	-	185.48	565.16	750.64
Re-measurement Gains / (Losses) on defined benefit plans	-	-	8.24	-	8.24
Balance at the end of the reporting period 31.03.2017	3,074.95	9.45	84.25	1,179.22	4,347.87

As on 31.03.2018

	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Total
	General Reserve	Capital Reserve	Retained Earnings		
Balance at the beginning of the reporting period 01.04.2017	3,074.95	9.45	84.25	1,179.22	4,347.87
Total Comprehensive Income for the year	-	-	(112.25)	1,937.20	1,824.95
Re-measurement Gains / (Losses) on defined benefit plans	-	-	39.24	-	39.24
Balance at the end of the reporting period 31.03.2018	3,074.95	9.45	11.24	3,116.42	6,212.06

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Regn. No. 101048W

Atul Mehta
Partner
Membership No. 015935
Mumbai, Dated : 29.05.2018

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)

Standalone Statement of Cash Flows for the year ended 31.03.2018

Rupees in Lakh

Particulars	Year Ended	
	31.03.2018	31.03.2017
Operating Activities		
Net Profit / (Loss) before extraordinary items and tax	(128.25)	(93.39)
<i>Adjustments for:</i>		
Depreciation and Amortisation	497.98	498.07
Bad Debts	493.30	349.08
Dividend Paid	0.10	-
Miscellaneous Expenditure written back	-	0.01
Operating Profit / (Loss) before Working Capital changes	863.13	753.77
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets</i>		
Inventories	6.14	2.72
Trade Receivables	1,249.60	202.00
Short Term Loans and Advances	(655.16)	-
Other Non Current Financial Assets	72.00	0.20
Other Current Assets	(42.80)	(23.60)
Other Non-Current Assets	135.34	132.40
Other Current Financial Assets	-	1,033.10
	1,628.26	2,100.59
<i>Adjustments for increase / (decrease) in operating liabilities</i>		
Trade Payables	(3.23)	(165.31)
Other Current Liabilities	30.29	21.12
Short Term Provisions	(9.78)	19.08
Long Term Provisions	(1.38)	(34.73)
Other Current Financial Liabilities	(553.43)	96.41
Cash generated from Operations	1,090.73	2,037.16
Net Income Tax Paid / (Refund)	(118.29)	(128.96)
Net Cash Flow from / (used in) Operating Activities (A)	972.44	1,908.20
Investing Activities		
Purchase of Fixed Assets	(0.40)	(0.70)
Capital Work In Progress	5.55	(3.16)
Bank Deposits	382.98	(9.15)
Purchase of Long Term Investments		
- Subsidiaries	-	805.00
- Associates	-	(1,218.40)
Net Cash Flow from Investing Activities (B)	1,360.57	1,481.79
Financing Activities		
<u>Long Term Borrowings</u>		
Loans Taken	4,000.00	-
Loans Repaid	(1,071.99)	(1,353.70)
<u>Short Term Borrowings</u>		
Loans Taken	2,258.46	3,306.34
Loans Repaid	(6,138.00)	(3,458.90)
Net Cash Flow from Financing Activities (C)	(951.53)	(1,506.26)
Total (A + B + C)	409.04	(24.47)
Cash and Cash Equivalent at the Beginning of the year	18.23	42.70
Cash and Cash Equivalent at the End of the year	427.27	18.23
	409.04	(24.47)
(a) Cash on Hand	0.08	0.20
(b) Balances with banks - in current accounts	427.19	18.03
	427.27	18.23

Change in Liability arising from financing activities

	01.04.2017	Cash Flow	31.03.2018
Borrowing - Non Current (Refer Note 15)	2,049.73	2,382.06	4,431.79
Borrowing - Current (Refer Note 17)	3,879.54	(3,879.54)	-
	5,929.27	(1,497.48)	4,431.79

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Regn. No. 101048W

Atul Mehta
Partner
Membership No. 015935
Mumbai, Dated : 29.05.2018

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)

Notes to Standalone Financial Statements for the year ended 31.03.2018

Note No : 1 Corporate Information and Significant Accounting Policies, Judgments etc.

1.1 CORPORATE INFORMATION

Karma Energy Limited ("the Company") is a company domiciled in India, with its registered office situated Empire House, 214, Dr. D. N. Road, Ent. A. K. Nayak Marg, Fort, Mumbai - 400001. The Company has been incorporated under the provision of Indian Companies Act and its equity shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The location of its wind power plants are disclosed in the introduction to the annual report. The Company is engaged in generation of power from renewable sources like Wind, Hydro, Solar, etc

1.2 BASIS OF PREPARATIONS AND SIGNIFICANT ACCOUNTING POLICIES

A Basis of preparation and presentation

i) Statement of Compliance

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Upto the year ended March 31, 2017, the Company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

The accounts have been compiled on an accrual system based on principle of going concern.

These financial statements are the Company's first Ind AS standalone financial statements.

ii) Functional and Presentation Currency

Company's financial statements are presented in Indian Rupees, which is also its functional currency. All amounts have been rounded off to 2 decimal places to the nearest lakhs and unless otherwise indicated

iii) Basis of measurement

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- i Certain financial assets and liabilities,
- ii Defined benefit plans - plan assets/(liabilities)

B Summary of significant accounting policies

a i) Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

ii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the statement of profit and loss

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Assets	Management Estimate of Useful Life	Useful life as per Schedule II of the Companies Act, 2013
Plant and Machinery	22 Years	22 Years
Road - Non RCC	5 Years	5 Years
Office Equipment's	5 Years	5 Years
Office Equipment's- Computers	3 Years	3 Years
Vehicles	8 Years	8 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets

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

b Leases

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Company's Balance Sheet

Payments made under operating leases are generally recognized in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership been classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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

inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

c Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

d Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of components, stores and spares are determined on FIFO (First In First Out) basis.

e Impairment of non-financial assets

The Company assesses at each reporting date as to whether there is any indication that any asset or group of assets, called cash generating units may be impaired. If any such indication exists the recoverable amount of an asset or cash generating units is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating units to which the asset belongs.

If the carrying amount of 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.

f Provisions and Contingent Liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assumptions of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote

g Employee Benefits Expense

Short Term Employee Benefits : The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits :

Defined Contribution Plans - A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans - The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / superannuation. The gratuity is paid @ 15 days salary for every completed year of service as per the Payment of Gratuity Act 1972 or otherwise contractually agreed with the employees.

The gratuity liability amount is contributed to the approved gratuity fund formed (LIC) exclusively for gratuity payment to the employees. The gratuity fund has been approved by Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

h Tax Expenses

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable

in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis

i Foreign currencies transactions

Transactions in foreign currencies are initially recorded by the company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined

j Revenue recognition

Revenue from sale of power is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

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 Power

Project is accounted for as and when sold and collection is certain.

Interest Income - Interest income is recognised using Effective Interest Rate (EIR) method.

Income on Inter Corporate Deposits is accounted for on time accrual basis

Dividend Income - Revenue is recognised when the Company's right to receive the payment has been established.

k Financial instruments

i) Financial Assets

a Recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

A Financial asset is measured at amortized cost if it is held with objective to hold the asset in order to collect contractual cash flows as and when due.

A financial assets is measured at FVTOCI if it is held with an objective to achieve collecting contractual cash flows as and when due and selling financial assets.

A financial assets which is not classified under any of the above categories are measured at FVTPL.

b Investment in Associates and Subsidiaries

The Company has accounted for its investments in associates and subsidiaries at cost.

c Other Equity Investments

All other equity investments and equity instruments held for trading are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

d Impairment of financial assets

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

e Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither

transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

ii) Financial liabilities

Recognition and measurement - All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition - The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

iii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously

l Cash and Cash Equivalents

Cash and Cash Equivalents consist of cash on hand, cash at banks, demand deposits from banks and short term, highly liquid instruments.

m Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

n Classification of current/ non current assets and liabilities

All assets and liabilities are presented as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 Presentation of financial statements. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating

cycle as 12 months for the purpose of current / non current classification of assets and liabilities.

o Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities

The Company has an established control framework with respect to the measurement of fair values

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred

p Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

1.3 ACCOUNTING JUDGEMENTS AND ESTIMATION OF UNCERTAINTY

a Depreciation and useful lives of Property, Plant and Equipment

Property, plant and equipment are depreciated over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets. The depreciation for future periods is revised if there are significant changes from previous estimates.

b Recoverability of trade receivable

Judgements are applied in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required.

c Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events

and the amount of cash outflow can be reliably estimated. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d Defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

1.4 FIRST TIME ADOPTION OF INDAS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Exemptions from retrospective application

i Business combination exemption

Business combination exemption - The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to April 1, 2016 (the "Transition Date"), pursuant to which goodwill / capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date

ii Deemed cost exemption for Property, Plant and Equipment

The Company has elected to measure items of property, plant and equipment at its carrying value at the transition date.

iii Investments in Associates and Subsidiaries

Investments in Subsidiaries and Associates - The Company has elected to measure investment in Subsidiaries and Associates at cost.

1.5 STANDARDS ISSUED / AMENDED BUT NOT YET EFFECTIVE

i Ind AS 115- Revenue from Contract with Customers : On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018. In which, it has notified the Ind AS 115, Revenue from Contract with Customers. The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The core principle of this Standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

This standard has come into force from April 1, 2018. The management of the company is under process of evaluating the effect on adoption of Ind AS 115 on the financial statements of next reporting date.

ii Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018. In which, it has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration, which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment has come into force from April 1, 2018. As per the evaluation of the management of the company, the effect of this amendment is not material to the company.

Notes to the Standalone Financial Statements for the year ended 31.03.2017

Note No : 2 - Property, Plant and Equipment

Rupees in Lakh

Description	Gross Block			Depreciation			Net Block	
	As At 01.04.2016	Addi- tions	As At 31.03.2017	As at 01.04.2016	For the Year	As At 31.03.2017	As At 31.03.2017	As At 31.03.2016
1 Land - Freehold	34.57	-	34.57	-	-	-	34.57	34.57
2 Plant and Machinery	15,252.13	-	15,252.13	10,079.62	480.54	10,560.16	4,691.97	5,172.51
3 Road - Non RCC	61.37	-	61.37	14.57	11.66	26.23	35.14	46.80
4 Office Equipment	4.90	0.70	5.60	2.83	0.79	3.62	1.98	2.07
5 Vehicles	41.79	-	41.79	10.97	5.08	16.05	25.74	30.82
Total	15,394.76	0.70	15,395.46	10,107.99	498.07	10,606.06	4,789.40	5,286.77

Notes to the Consolidated Financial Statements for the year ended 31.03.2018

Note No : 2 - Property, Plant and Equipment

Rupees in Lakh

Description	Gross Block			Depreciation			Net Block	
	As At 01.04.2017	Addi- tions	As At 31.03.2018	As at 01.04.2017	For the Year	As At 31.03.2018	As At 31.03.2018	As At 31.03.2017
1 Land - Freehold	34.57	-	34.57	-	-	-	34.57	34.57
2 Plant and Machinery	15,252.13	-	15,252.13	10,560.16	480.54	11,040.70	4,211.43	4,691.97
3 Road - Non RCC	61.37	-	61.37	26.23	11.66	37.89	23.48	35.14
4 Office Equipment	5.60	0.40	6.00	3.62	0.71	4.33	1.67	1.98
5 Vehicles	41.79	-	41.79	16.05	5.08	21.13	20.66	25.74
Total	15,395.46	0.40	15,395.86	10,606.06	497.99	11,104.05	4,291.81	4,789.40

Notes to the Standalone Financial Statements for the year ended 31.03.2018

Rupees in Lakh (except no. of shares)

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Note No : 3						
NON - CURRENT INVESTMENTS						
Investments in Equity Instruments (Fully Paid-up)						
(A) Investment measured at cost (unquoted)						
<u>In Subsidiaries</u>						
Almi Hydro-Electric Projects Ltd	-	-	-	-	50,000	125.00
Baledh Energy Projects Ltd	-	-	-	-	50,000	525.00
Batot Hydro Power Ltd	18,079,250	1,807.47	18,079,250	1,807.47	7,748,250	774.38
Bramanvel Energy Ltd	6,000	94.31	6,000	94.31	6,000	94.31
Greenweiz Projects Ltd	495,000	651.03	495,000	651.03	495,000	651.03
Joiner Hydro Power Projects Ltd	-	-	-	-	50,000	155.00
Khandesh Energy Projects Ltd	25,500	224.94	25,500	224.94	25,500	224.94
Sub Total		2,777.75		2,777.75		2,549.66
<u>In Associates</u>						
Weizmann Corporate Services Ltd	15,960	145.08	15,960	145.08	15,960	145.08
Baledh Energy Projects Ltd	17,648	185.30	17,648	185.30	-	-
Sub Total		330.38		330.38		145.08
Total (A)		3,108.13		3,108.13		2,694.74
(B) Investments measured at Fair Value through Other Comprehensive Income						
<u>Quoted</u>						
<u>Fully paid up Equity Shares</u>						
Weizmann Forex Ltd	1,000	10.58	1,000	3.48	1,000	1.77
Weizmann Ltd	1,000	0.40	1,000	0.41	1,000	0.19
Sub Total - (i)		10.98		3.89		1.96
<u>Unquoted</u>						
<u>Fully paid-up Equity Shares</u>						
Windia Infrastructure Finance Ltd	3,638,913	4,259.35	3,638,913	1,920.62	3,638,913	1,326.38
Tapi Energy Projects Ltd	1,439,105	482.24	1,439,105	279.76	1,439,105	151.54
The Saraswat Co-op Bank Ltd	2,500	0.25	2,500	0.25	2,500	0.25
Sub Total - (ii)		4,741.84		2,200.63		1,478.17
Total (B)		4,752.82		2,204.52		1,480.13
Total Non Current Investments		7,860.96		5,312.65		4,174.87
Aggregate amount of quoted investments		10.98		3.89		1.96
Market value of quoted investments		10.98		3.89		1.96
Aggregate amount of unquoted investments		7,849.97		5,308.76		4,172.91
Aggregate impairment in value of Investments		-		-		-

Notes to the Standalone Financial Statements for the year ended 31.03.2018

Rupees in Lakh

Particulars	As At		
	31.03.2018	31.03.2017	01.04.2016
Note No : 4			
OTHERS - Financial Asset (Non-Current)			
Security Deposits	13.35	85.35	85.55
Total	13.35	85.35	85.55
Note No : 5			
OTHER NON-CURRENT ASSETS			
Other Receivables	1.66	82.63	203.65
Total	1.66	82.63	203.65
Note No : 6			
INVENTORIES			
Consumables / Spares	48.33	54.47	57.19
Total	48.33	54.47	57.19
Note No : 7			
TRADE RECEIVABLES			
[Unsecured, Considered Good]			
Trade Receivables - Power	724.30	2,504.87	3,055.95
Trade Receivables - Others	37.67	-	-
Total	761.97	2,504.87	3,055.95

Trade Receivables of the Company mainly consist of receivables from the state utilities and other parties. In respect of receivable from the state utilities, all written off amounts during the past years and current year were pertaining to specific disputes and not related to credit risk. Hence, in the opinion of the management there is no credit loss on receivable from the state utilities.

In respect of Other Receivables, there is no past history of credit loss from these parties, hence there is no expected credit loss on such receivables

Note No : 8			
CASH AND CASH EQUIVALENTS			
Cash on Hand	0.08	0.20	0.28
Balance with banks :			
- In Current Account	427.19	18.03	42.42
Total	427.27	18.23	42.70
Note No : 9			
OTHER BANK BALANCE			
- In Fixed Deposits Account	7.55	390.53	381.38
- In Dividend Account *	6.09	6.20	6.20
Total	13.64	396.73	387.58
* Balances under Dividend Account are not available for general use by the Company			
Note No : 10			
LOANS (Current)			
[Unsecured, Considered Good]			
Loans to Related Parties	655.16	-	-
Total	655.16	-	-
Note No : 11			
OTHER FINANCIAL ASSETS (Current)			
Share Application Money for Investment in Subsidiary	-	-	1,033.10
Total	-	-	1,033.10
Note No : 12			
OTHER CURRENT ASSETS			
Advances Recoverable	95.26	55.03	31.57
Prepaid Expenses	25.26	22.69	22.55
Total	120.52	77.72	54.12

Notes to the Standalone Financial Statements for the year ended 31.03.2018

Rupees in Lakh (except no. of shares)

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	No of Shares	In Lakh	No of Shares	In Lakh	No of Shares	In Lakh
Note No : 13						
SHARE CAPITAL						
Authorised Share Capital						
Equity Shares of Rs. 10/- each	18,000,000	1,800.00	18,000,000	1,800.00	18,000,000	1,800.00
	18,000,000	1,800.00	18,000,000	1,800.00	18,00,0000	1,800.00
Issued, Subscribed & Paid Up						
Equity Shares of Rs. 10/- each	11,569,918	1,156.99	11,569,918	1,156.99	11,569,918	1,156.99
Total	11,569,918	1,156.99	11,569,918	1,156.99	11,569,918	1,156.99
NOTE [13.1]						
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	11,569,918	1,156.99	11,569,918	1,156.99	11,569,918	1,156.99
Issued during the Year	-	-	-	-	-	-
Outstanding at the end of the Year	11,569,918	1,156.99	11,569,918	1,156.99	11,569,918	1,156.99

NOTE [13.2]

Terms / Rights attached to Equity Shares

- a) The Company has only one class of shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.
- b) 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.
- c) The company has not issued any bonus shares or bought back the equity shares in the last 5 years immediately preceding the reporting date.
- d) With respect to 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 [13.3]

Details of shares held by each shareholder holding more than 5% shares :

Particulars	No of Shares	Holding %	No of Shares	Holding %	No of Shares	Holding %
Chetan Mehra on behalf of Tanraj Enterprises	-	-	-	-	1,093,765	9.45%
Radhika Mehra	796,715	6.89%	796,715	6.89%	-	-
Prabhanjan Multitrade Pvt Ltd on behalf of Suhami Power And Finance Corporation	-	-	-	-	827,071	7.15%
Dharmendra G Siraj	828,345	7.16%	-	-	-	-
Prabhanjan Multitrade Pvt Ltd	579,843	5.01%	647,033	5.59%	647,033	5.59%
Anju D. Siraj	988,097	8.54%	688,097	5.95%	828,734	7.16%
Inspeed Power Pvt Ltd	2,119,442	18.32%	2,040,943	17.64%	1,652,835	14.29%
Kotta Enterprises Ltd	2,294,026	19.83%	2,294,026	19.83%	2,294,026	19.83%

Notes to the Standalone Financial Statements for the year ended 31.03.2018

Rupees in Lakh

Particulars	As At		
	31.03.2018	31.03.2017	01.04.2016
Note No : 14			
OTHER EQUITY			
Capital Reserve			
Opening Balance	9.45	9.45	9.45
Closing Balance	9.45	9.45	9.45
General Reserve			
Opening Balance	3,074.95	3,074.95	3,074.95
Closing Balance	3,074.95	3,074.95	3,074.95
Retained Earnings			
Opening Balance	238.47	44.75	68.27
Less : Leasehold Land Net of amortisation reversed as per Ind-AS	-	-	(23.52)
Add : Profit / (Loss) for the Year	(112.25)	185.48	-
Add : Items of OCI Earnings transferred to Retained Earnings	39.24	8.24	-
Closing Balance	165.46	238.47	44.75
Other Comprehensive Income (OCI)			
Opening Balance	1,025.00	459.84	-
Add : Movement in OCI (Net) during the year	1,937.20	565.16	459.84
	2,962.20	1,025.00	459.84
Total	6,212.06	4,347.87	3,588.99
Note No : 15			
BORROWINGS			
From Banks	3,576.17	646.17	1,998.04
From Others	0.16	2.15	3.98
Total	3,576.33	648.32	2,002.02

Note [15.1] - Secured Term Loan from Banks

Name	Tenor	31.03.2018	31.03.2017	01.04.2016
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 monthly installments starting from April 2012	-	-	523.48
Uco Bank	40 varied quarterly installments starting from January 2005	73.56	518.37	737.13
The Saraswat Co-op. Bank Ltd.	60 equal monthly installments starting from October 2014	2.04	5.46	8.55
HDFC Bank Ltd	84 equal monthly installments starting from April 2018	3,500.57	-	-
		3,576.17	646.17	1,998.04

1. Security against Term Loan from Uco Bank is charged on receivable from specific wind farm of 7.0 MW
2. Security against Term Loan from Saraswat Co-op Bank Ltd is charged on specific vehicle
3. Security against Term Loan from HDFC Bank Ltd is charged on receivable from specific wind farm of 18.0 MW

Note [15.2] - Secured Term Loan from Others

Name	Tenor	31.03.2018	31.03.2017	01.04.2016
Volkswagen Finance Pvt. Ltd.	59 equal monthly installments starting from May 2014	0.16	2.15	3.98
		3,576.33	648.32	2,002.02

1. Security against Term Loan from Volkswagen Finance Pvt Ltd is charged on specific vehicle
 Note - For Current Maturities of Long Term Debt, Refer Note No. 18 (Other Financial Liabilities)

Rupees in Lakh

Particulars	As At		
	31.03.2018	31.03.2017	01.04.2016
Note No : 16			
LONG TERM PROVISIONS			
Provision for Employee Benefits			
Leave Encashment	22.28	23.66	58.39
Total	22.28	23.66	58.39
Note No : 17			
BORROWINGS - CURRENT			
Unsecured Loans			
From Others - Inter Corporate Deposits	-	3,879.54	4,032.10
Total	-	3,879.54	4,032.10
Note No : 18			
TRADE PAYABLES			
Micro, Small and Medium enterprises	-	-	-
Others	78.69	81.92	247.23
Total	78.69	81.92	247.23

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.

Rupees in Lakh

Particulars	As At		
	31.03.2018	31.03.2017	01.04.2016
Note No : 19			
OTHER FINANCIAL LIABILITIES			
Current Maturities of Long-Term Debt	855.46	1,401.41	1,306.78
Unclaimed Dividend*	6.10	6.20	6.21
Payable to Employee	7.68	15.95	14.68
Other Payables	8.07	7.18	6.66
Total	877.31	1,430.74	1,334.33
* There are no amounts due and outstanding, to be credited to Investor Education and Protection Fund as at 31.03.2018			
Note No : 20			
OTHER CURRENT LIABILITIES			
Statutory Obligations	90.67	60.38	39.26
Total	90.67	60.38	39.26
Note No : 21			
PROVISIONS			
Provision for : Employee Benefits			
Leave Encashment	15.53	25.31	6.23
Total	15.53	25.31	6.23

Notes to the Standalone Financial Statements for the year ended 31.03.2018

Rupees in Lakh

Particulars	Year Ended	
	31.03.2018	31.03.2017
Note No : 22		
REVENUE FROM OPERATIONS		
Sale of Power	2,416.48	2,601.64
Sale of Entitlement from Wind Power	933.36	145.31
Total	3,349.84	2,746.95
Note No : 23		
OTHER INCOME		
Interest - Bank FDR	8.76	33.41
Interest - Others	0.56	69.73
Dividend on Non Current Investments	0.11	0.04
Insurance Claim	19.61	11.37
Other Income	1.15	-
Sundry Balances Written Back	0.56	-
Total	30.75	114.55
Note No : 24		
OPERATING AND MAINTENANCE COST		
Energy / Open Access Charges	1,161.11	381.36
Operation and Maintenance	378.64	415.56
Others	42.90	29.10
Stores and Spares Consumed	10.80	7.16
Total	1,593.45	833.18
Note No : 25		
EMPLOYEES BENEFIT EXPENSE		
Salaries, Wages and Bonus	193.78	296.66
Contribution to Provident Funds and Other Funds	34.82	38.30
Staff Welfare Expenses	6.93	6.54
Total	235.53	341.50

Note No : 25.1

As per Indian Accounting Standard 19 " Employee Benefits", the disclosures defined are given below :

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

Assumptions		
Discount Rate	8.00%	8.00%
Salary Escalation	5.00%	7.00%
Defined Benefit Plan		
I) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Particulars		
Defined Benefit Obligation at the beginning of the year	169.26	182.98
Current Service Cost	7.80	10.04
Past Service Cost	8.27	-
Interest Cost	13.54	14.64
Actuarial (Gain) / Loss	(55.83)	(11.38)
Benefits Paid	(8.17)	(27.02)
Defined Benefit Obligation at year end	134.87	169.26
II) Reconciliation of opening and closing balances of fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	208.01	210.05
Expected Return on Plan Assets	16.64	16.09
Actuarial (Gain) / Loss	-	-
Employer Contribution	4.00	8.89
Benefits Paid	(8.17)	(27.02)
Actual Return on Plan Assets excluding Interest Income	(1.46)	-
Fair value of Plan Assets at year end	219.02	208.01
III) Reconciliation of Fair Value of Assets and Obligations		
Present Value of Obligation at the end of the year	(134.87)	(169.26)
Fair value of Plan Assets	219.02	208.01
Present Value of Obligation	84.15	38.75
Amount recognised in Balance Sheet (Surplus / (Deficit))	84.15	38.75

IV) Actuarial Gain / (Loss) recognised		
Actuarial (Gain) / Loss on obligations	(55.83)	(11.38)
Return on Plan Assets, Excluding Interest Income	(1.46)	-
Total (Gain) / Loss for the year	(54.37)	(11.38)
Actuarial (Gain) / Loss recognised in the year	(54.37)	(11.38)
V) Expenses recognised during the year		
Current Service Cost	7.80	10.04
Net Interest Cost	(3.10)	(1.45)
Past Service Cost	8.27	-
Return on Plan Assets	-	-
Net Cost	12.97	8.59
In Other Comprehensive Income		
Actuarial (Gain) / Loss	(55.83)	(11.38)
Return on Plan Assets	(1.46)	-
Net (Income) / Expense for the period Recognised in OCI	(54.37)	(11.38)
Maturity Analysis of Projected Benefit Obligation - From the Fund		
Projected Benefits Payable in Future Years from the date of reporting		
1st Following Year	21.04	
2nd Following Year	7.98	
3rd Following Year	3.06	
4th Following Year	3.29	
5th Following Year	117.45	
Sum of years 6 to 10	7.56	
Sensitivity Analysis		
Projected Benefits Obligation on Current Assumption	134.87	
Delta Effect of +1% change in Rate of Discounting	(4.93)	
Delta Effect of -1% change in Rate of Discounting	5.34	
Delta Effect of +1% change in Rate of Salary Increase	5.44	
Delta Effect of -1% change in Rate of Salary Increase	(5.10)	
Delta Effect of +1% change in Rate of Employee Turnover	0.70	
Delta Effect of -1% change in Rate of Employee Turnover	(0.75)	
Note No : 26		
FINANCE COSTS		
(a) Interest Expense on		
Secured Loans	66.32	353.51
Unsecured Loans	368.01	411.49
Others	13.07	9.40
(b) Other Borrowing Cost	10.97	2.42
Total	458.37	776.82
Note No : 27		
OTHER EXPENSES		
Payment to Auditors	4.93	3.36
Conveyance and Travelling	7.54	11.95
Director Sitting Fees	1.57	1.86
Electricity Charges	0.19	0.23
Insurance Charges	46.47	43.12
Legal and Professional Charges	21.30	17.13
Communication Expenses	2.42	3.13
Rent	25.31	30.42
Rates and Taxes	72.48	11.57
Repairs and Maintenance - Others	2.30	0.57
Miscellaneous Expenses	45.71	32.89
Total	230.21	156.24
Note No : 27.1		
Payment to Auditor		
For Statutory Audit	4.00	3.11
For Tax Audit	0.75	-
For Other Services	0.18	0.25
Total	4.93	3.36

Notes to Standalone Financial Statements for the year ended 31.03.2018

Note No

28 Contingent Liabilities and Commitments (to the extent not provided for)

Income Tax matters : Rs. 94.69 Lakh (Prev Year - Rs. 198.55 Lakh)

Disclosure pursuant to Regulation 34(3) and Schedule V of LODR - 2015

Loans and Advances to Subsidiary Companies

Rupees in Lakh

Name of the subsidiary company	As at 31.03.2018	Max Bal O/s during the year
Batot Hydro Power Ltd	655.16 (Nil)	655.16 (Nil)

29 (a) Deferred Tax

The breakup of Net Deferred Tax Liability as on 31.03.2018

Rupees in Lakh

Particulars	31.03.2018	31.03.2017	01.04.2016
<u>Deferred Tax Liabilities</u>			
On Property, Plant and Equipment	1,164.27	1,287.28	1,703.29
On Fair Value of Investment	943.50	332.39	173.16
Sub Total (a) ==>	2,107.77	1,619.67	1,876.45
<u>Deferred Tax Assets</u>			
Others on account of 43B Disallowance	16.02	21.15	30.43
Sub Total (b) ==>	16.02	21.15	30.43
Net Deferred Tax Liability (Assets) (a - b)	2,091.75	1,598.52	1,846.02

(b) The Income Tax expenses for the year can be reconciled to the accounting profit as follows

Rupees in Lakh

Particulars	31.03.2018	31.03.2017
Profit before Tax	(128.25)	(93.39)
Applicable Tax Rate	27.55%	33.06%
Computed Tax Expense	(35.33)	(30.88)
Tax Effect of :		
Expenses disallowed debited to statement of Profit & Loss	574.49	523.50
Expenses allowed not debited to statement of Profit & Loss	(25.21)	(60.11)
Deduction under Chapter VI-A	0.06	0.03
Current Tax (A)	101.87	128.07
Deferred Tax (B)	(117.88)	(406.73)
Income Tax Expenses recognised in the Statement of Profit & Loss Account (A+B)	(16.01)	(278.66)

30 a Financial Instruments

Accounting classification and fair values

Rupees in Lakh

Particulars	As at 31-03-2018			As at 31-03-2017			As at 01-04-2016		
	FVTPL	FVTOCI	Amotised Cost	FVTPL	FVTOCI	Amotised Cost	FVTPL	FVTOCI	Amotised Cost
Financial Asset									
Non Current Investments *	-	4,752.82	3,108.13	-	2,204.52	3,108.13	-	1,480.13	2,694.74
Other Non Current Financial Asset	-	-	13.35	-	-	85.35	-	-	85.55
Trade Receivables	-	-	761.97	-	-	2,504.87	-	-	3,055.95
Loans	-	-	655.15	-	-	-	-	-	-
Cash and Cash Equivalents	-	-	427.27	-	-	18.23	-	-	42.70
Other Bank Balance	-	-	13.64	-	-	396.73	-	-	387.58
Financial Liabilities									
Long-Term Borrowings	-	-	3,576.33	-	-	648.32	-	-	2,002.02
Short-Term Borrowings	-	-	-	-	-	3,879.54	-	-	4,032.10
Trade Payable	-	-	78.69	-	-	81.92	-	-	247.23
Other Current Financial Liabilities	-	-	877.31	-	-	1,430.71	-	-	1,334.33

Note *

- 1 Non Current Investments under FVTOCI includes Quoted and Unquoted Equity Instruments.
- 2 Non Current Investments under Amotised Cost includes Equity Instruments of Subsidiaries and Associates.

b Fair Value Measurement Hierarchy :

Rupees in Lakh

Particulars	As at 31-03-2018			As at 31-03-2017			As at 01-04-2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Asset									
Non Current Investments **	10.98	4,741.84	-	389	2,200.63	-	1.96	1,478.17	-

Note **

- 1 Non Current Investment includes Quoted and Unquoted Equity Instruments.

The financial instruments are categorised into two levels based on the inputs used to arrive at fair value of measurements as described below:

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

c Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

i Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

Trade Receivables of the Company mainly consist of receivables from the state utilities and other parties. In respect of receivable from the state utilities, all written off amounts during the past years and current year were pertaining to specific disputes and not related to credit risk. Hence, in the opinion of the management there is no credit loss on receivable from the state utilities.

In respect of Other Receivables, there is no past history of credit loss from these parties, hence there is no expected credit loss on such receivables

iii Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

Contractual cash flows

Rupees in Lakh

31 March 2018	Carrying Amount	Total	Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Trade payables	78.69	78.69	78.69	-	-
Other financial liabilities	877.31	877.31	877.31	-	-
Long term borrowings	3,576.33	3,576.33	-	3,576.33	-
Short term borrowings	-	-	-	-	-

Contractual cash flows

Rupees in Lakh

31 March 2017	Carrying Amount	Total	Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Trade payables	81.82	81.82	81.82	-	-
Other financial liabilities	1,430.71	1,430.71	1,430.71	-	-
Long term borrowings	648.32	648.32	-	648.32	-
Short term borrowings	3,879.54	3,879.54	3,879.54	-	-

iv Market risk

Market risk is the risk that changes in market prices – such as interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including payables and long term debt. We are exposed to market risk primarily related to interest rate risk. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating.

Currency risk - The Company is not exposed to Foreign Currency Risk.

Interest risk - At the reporting date in the interest rate profile of the Company's interest bearing financial instruments was as follows:

Rupees in Lakh

Particulars	31.03.2018	31.03.2017
<u>Floating Rate Instrument</u>		
Financial Liabilities		
Term Loans	4,429.59	2,042.12
<u>Fixed Rate Instruments</u>		
Financial Liabilities		
Term Loans	2.04	5.46
Inter-Corporate Deposits	-	3,879.54
	4,431.63	5,927.12

Cash Flow sensitivity analysis for variable-rate instruments

An increase of 50 basis points in interest rates at the reporting date would have decreased gains as at year end by the amounts shown below. This analysis assumes that all other variables remain constant.

Rupees in Lakh

Particulars	31.03.2018	31.03.2017
Variable rate instruments	22.15	10.21
Cash flow sensitivity	22.15	10.21

A decrease of 50 basis points in interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variable remain constant.

Price Risk - The Company investment in equity instruments in Subsidiaries and Associates are stated at cost and not required to be remeasured. Neither Profit or Loss nor Equity will be affected by the equity price risk of those instruments

Further the Company investment in equity instruments carried at fair value through Other Comprehensive Income are subject to price risk which may not effect the total comprehensive income of the Company

To manage its price risk, the Company diversify its portfolio. Diversification of the portfolio is done based on internal review and limits decided by the management from time to time.

Rupees in Lakh

Particulars	31.03.2018	31.03.2017
Impact on Other Comprehensive Income		
<u>Investments measured at Other Comprehensive Income</u>		
Increase in price by 10%	1.10	0.39
Decrease in price by 10%	(1.10)	(0.39)

31 EARNINGS PER SHARE

Particulars	31.03.2018	31.03.2017
Net Profit / (Loss) After Tax attributable to Equity Shareholders	(112.24)	185.47
Weighted Average Number of Equity Shares	11,569,918	11,569,918
Nominal Value per Ordinary Shares	10.00	10.00
Basic & Diluted Earning Per Share	(0.97)	1.60

32 Related Party Disclosure

In accordance with the "Accounting Standard 24 - Related Party Disclosure", the details are as follows :

1 Related Party and their Relationship

Subsidiaries	Others
Batot Hydro Power Ltd	Weizmann Corporate Services Ltd
Brahmanvel Energy Ltd	Baledh Energy Projects Ltd
Greenweiz Projects Ltd	
Khandesh Energy Projects Ltd	
Vajharpada Energy Ld	

Key Management Personnel : Mr. Ganesh N. Kamath - Managing Director
: Mr. T. V. Subramanian - Company Secretary and Chief Financial Officer

Nature of Transaction	Subsidiaries	Associates	Key Management Personnel	Total
Income / Receipts				
<u>Interest</u>	0.18	-	-	0.18
	-	-	-	-
Batot Hydro Power Ltd	0.18	-	-	0.18
	-	-	-	-
Expenditure / Payments				
<u>Rent</u>	-	0.45	-	0.45
	-	(1.80)	-	(1.80)
Weizmann Corporate Services Ltd	-	0.45	-	0.45
	-	(1.80)	-	(1.80)
<u>Operation and Maintenance Expenses</u>	39.10	-	-	39.10
	(44.11)	-	-	(44.11)
Greenweiz Projects Ltd	39.10	-	-	39.10
	(44.11)	-	-	(44.11)
<u>Remuneration</u>	-	-	115.14	115.14
	-	-	(148.33)	(148.33)
Ganesh N. Kamath	-	-	23.19	23.19
	-	-	(23.91)	(23.91)
T. V. Subramanian	-	-	91.95	91.95
	-	-	(124.42)	(124.42)
Finance				
<u>Loans Given</u>	655.16	-	-	655.16
	-	-	-	-
Batot Hydro Power Ltd	655.16	-	-	655.16
	-	-	-	-
Outstandings				
<u>Creditors</u>	3.75	-	-	3.75
	-	-	-	-
Greenweiz Projects Ltd	3.75	-	-	3.75
	-	-	-	-

33 Valuation

- a The Fair Value of investment in Quoted Equity Shares is measured at quoted price.
- b The Fair Value of investment of unquoted equity shares in other than Associate is determined by valuing such investee companies at their respective fair values by considering in each of such investee companies, the value of immovable properties considered by revenue authorities for determining the stamp duty amount, the quoted equity shares at their quoted price, and for unquoted equity shares by adopting the method of determination as above i.e. finding the fair value of such unquoted entities and other assets and liabilities at their carrying costs.

34 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.

35 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.

36 Capital management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the company consists of net debt (borrowings as detailed in notes No. 14, 16 & 18 offset by cash and bank balances) and equity of the Company (comprising issued capital, reserves and retained earnings as detailed in notes 12 and 13).

The company is not subject to any externally imposed capital requirements.

Gearing Ratio - The gearing ratio at end of the reporting period was as follows.

Rupees in Lakh

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Debt	4,431.79	5,929.27	7,340.90
Cash and Cash Equivalent	427.27	18.23	42.70
Net Debt	4,004.52	5,911.04	7,298.21
Equity	7,369.05	5,504.86	4,745.95
Net Debt to Equity Ratio	0.54	1.07	1.54

Debt is defined as long-term and short-term borrowings including current maturities of long term borrowings, as given in notes 14, 16 and 18.

37 These financial statements are approved for issue by the Board of Directors of the Company on 29.05.2018

38 Ind AS 101 Reconciliations

Effect of IND AS adoption on the Standalone Balance Sheet as at 31.03.2017 and 01.04.2016

Rupees in Lakh

Particulars	31.03.2017			01.04.2016		
	Previous GAAP	Effect of transition to IND AS	As per IND AS	Previous GAAP	Effect of transition to IND AS	As per IND AS
ASSETS						
Non-Current Assets						
a Property, Plant and Equipment	4,811.14	(21.74)	4,789.40	5,310.28	(23.52)	5,286.76
b Capital Work in Progress	37.45	-	37.45	34.30	-	34.30
c <u>Financial Assets</u>						
i Investments	3,801.05	1,511.59	5,312.64	3,387.65	787.22	4,174.87
ii Loans and Advances	85.35	-	85.35	85.55	-	85.55
d Other Non-Current Assets	82.63	-	82.63	203.65	-	203.65
Current Assets						
a Inventories	54.47	-	54.47	57.19	-	57.19
b <u>Financial Assets</u>						
i Trade Receivables	2,504.87	-	2,504.87	3,055.95	-	3,055.95
ii Cash and Cash Equivalents	24.44	-	24.44	48.90	-	48.90
iii Bank Balances other than (ii) above	384.41	-	384.41	340.85	-	340.85
iv Others	6.12	-	6.12	1,073.63	-	1,073.63
c Other Current Assets	77.72	-	77.72	54.12	-	54.12
Total Assets	11,869.65	1,489.85	13,359.50	13,652.07	763.70	14,415.77
EQUITY AND LIABILITIES						
Equity						
a Equity Share capital	1,156.99	-	1,156.99	1,156.99	-	1,156.99
b Other Equity	3,190.40	1,157.47	4,347.87	2,998.45	590.54	3,588.99
Liabilities						
<u>Non-Current Liabilities</u>						
a <u>Financial Liabilities</u>						
Borrowings	648.32	-	648.32	2,002.02	-	2,002.02
b Provisions	23.66	-	23.66	58.39	-	58.39
c Deferred Tax Liabilities (Net)	1,266.13	332.38	1,598.51	1,672.86	173.16	1,846.02
Current Liabilities						
a <u>Financial Liabilities</u>						
i Borrowings	3,879.54	-	3,879.54	4,032.10	-	4,032.10
ii Trade Payables	81.91	-	81.91	247.23	-	247.23
iii Other Financial Liabilities (other than those specified in item (c))	1,401.42	-	1,401.42	1,306.78	-	1,306.78
b Other Current Liabilities	217.70	-	217.70	156.33	-	156.33
c Provisions	3.58	-	3.58	20.92	-	20.92
Total Equity and Liabilities	11,869.65	1,489.85	13,359.50	13,652.07	763.70	14,415.77

Reconciliation of Equity for the year ended 31.03.2016 and 31.03.2017 as reported under previous GAAP and now under Ind AS is as follows :

Rupees in Lakh

Particulars	Year Ended	
	31.03.2017	31.03.2016
Total Equity as per previous GAAP	4,347.39	4,155.44
Net Gain / (Loss) on Fair Value through OCI - Equity	1,511.61	787.22
Adjusted towards Depreciation on Leased Assets	(21.75)	(23.52)
Tax effect on above (wherever applicable)	(332.39)	(173.16)
Total Equity as per Ind AS	5,504.86	4,745.98

Effect of IND AS adoption on the Standalone Statement of Profit & Loss for the year ended 31.03.2017 Rupees in Lakh

Particulars	31.03.2017		
	Previous GAAP	Effect of transition to IND AS	As per IND AS
1 Income			
[a] Revenue from Operations	2,746.95	-	2,746.95
[b] Other Income	114.55	-	114.55
Total Income	2,861.50	-	2,861.50
2 Expenses			
[a] Operation and Maintenance Cost	833.18	-	833.18
[b] Employee Benefits Expense	330.13	11.38	341.50
[c] Finance Costs	776.82	-	776.82
[d] Depreciation and Amortisation Expense	499.83	(1.76)	498.07
[e] Bad Debts	349.08	-	349.08
[f] Other Expenses	156.24	-	156.24
Total Expenses	2,945.28	9.62	2,954.89
3 Profit / (Loss) before Tax (1 - 2)	(83.78)	(9.62)	(93.39)
4 Tax Expense:			
[a] Current Tax	131.00	3.13	127.87
[b] Deferred Tax	(406.73)	-	(406.73)
Total Tax Expenses	(275.73)	3.13	(278.86)
5 Profit / (Loss) after Tax (3 - 4)	191.95	(12.75)	185.47
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Re-measurement Gains / (Losses) on defined benefit plans			11.38
Tax effect			(3.13)
Net Gain / (Loss) on Fair Value through OCI - Equity Securities			724.39
Tax effect			(159.23)
Total Other Comprehensive Income (Net of Tax)			573.41
Total Comprehensive Income for the year			758.88

Reconciliation of Net Profit / (Loss) for the year ended 31.03.2017 as reported under previous GAAP and now under Ind AS is as follows :

Particulars	Year Ended 31.03.2017
Net Profit / (Loss) as per previous GAAP	191.95
Re-measurement loss on defined benefit plans accounted	(11.38)
Depreciation / Amortisation on Leased Assets	1.77
Tax effect on above (wherever applicable)	3.13
Total Equity as per Ind AS	185.47
Other Comprehensive Income	
Re-measurement Gains / (Losses) on defined benefit plans	11.38
Tax effect	(3.13)
Net Gain / (Loss) on Fair Value through OCI - Equity Securities	724.39
Tax effect	(159.23)
Total Other Comprehensive Income (Net of Tax)	573.41
Total Comprehensive Income for the year	758.88

- 1 **Fair Valuation for Financial Assets** - The Company has valued financial assets (other than investment in Associates which are accounted at cost), at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of profit and Loss or other Comprehensive income, as the case may be.
 - 2 **Deferred Tax** - The impact of transaction adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for the computation of deferred taxes has resulted in changes to the reserves, on the date of transition, with consequential impact to the statement of profit and loss for the Subsequent periods.
 - 3 **Remeasurements of post-employment benefit obligation** - Under Previous GAAP the Company recognised actuarial gains and losses in the Statement of Profit and Loss. Under Ind AS, re-measurements, i.e., actuarial gains and losses, the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised in Other Comprehensive Income instead of Statements of Profit and Loss.
 - 4 **Leased Assets Adjustments** - The Company has expensed out carrying cost of value of land taken on lease to the revenue as per the requirement of Ind AS.
 - 5 **Other Adjustments** - To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Act.
- 39 The previous year figures were audited jointly by two other firm of Chartered Accountants.
- 40 Previous year figures have been regrouped and / or reclassified wherever necessary.

Signatures to the Notes 1 to 40 forming part of the **Standalone Balance Sheet as at 31.03.2018** and the **Standalone Statement of Profit and Loss Account for the year ended 31.03.2018**

As per our report of even date attached

For and on behalf of the Board

For Batliboi & Purohit
Chartered Accountants
Firm Regn. No. 101048W

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

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

Atul Mehta
Partner
Membership No. 015935
Mumbai, Dated : 29.05.2018

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

Independent Auditors' Report

To the Members of Karma Energy Limited Report on the Consolidated Financial Statements

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

Management's Responsibility for the Consolidated Financial Statements

The 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 including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group 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 consolidated 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 Board of Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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.

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.

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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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 including the Ind AS, of the consolidated financial position of the Group, as at 31st March, 2018 and its consolidated profit including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year then ended.

Other Matters

The consolidated financial statements for the year ended 31st March, 2018 include, total assets of Rs. 6,052.10 lakhs, total revenues of Rs. 734.16 lakhs and net cash flows of Rs. 37.98 lakhs in respect of 5 subsidiaries whose financial statements and other financial information have been audited by other auditors, whose audit reports have been furnished to us by the management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries is based on the reports of other auditors.

The consolidated financial statements for the year ended 31st March, 2018 include group's share of net profit (including other comprehensive income) of Rs. 508.29 lakhs in respect of 2 associates whose financial statements and other financial information have been audited by other auditors, whose audit reports have been furnished to us by the management. Our opinion in so far as it relates to the balances and affairs of such associates is based on the reports of other auditors.

The comparative financial information of the Group and its associates for the transition date as at 1st April 2016 and year

ended March 31, 2017 included in these consolidated Ind AS financial statements are based on the consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 and March 31, 2017 dated 25th May 2016 and dated 26 the May 2017 respectively expressed an unmodified opinion on those Consolidated financial statements and have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

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

Report on Other Legal and Regulatory Requirements

1. 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 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 so far as it appears from our examination of those books.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies none of the Directors of the Group and associates are disqualified as on 31 March, 2018 from being appointed as a Director of that company 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group; (refer note 28)
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, its subsidiary companies and its associates.

for **BATLIBOI & PUROHIT**

Chartered Accountants

Firm's Registration No.: 101048W

Atul Mehta

Partner

Membership No.: 15935

Place : Mumbai

Date : 29 May, 2018

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")

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

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company, its subsidiary companies and associate companies are 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 internal financial controls over financial reporting of the Company, its subsidiary companies and its associates 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") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 consolidated 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 internal financial controls system over financial reporting of the Company, its subsidiary companies and its associates.

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, its subsidiary companies and its associates have, 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, 2018 based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other matters

Our aforesaid reports under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 5 subsidiaries and 2 associates is based on the corresponding reports of the auditors of such companies incorporated in India.

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

for **BATLIBOI & PUROHIT**
Chartered Accountants
Firm's Registration No.: 101048W

Atul Mehta
Partner
Membership No.: 15935
Place : Mumbai
Date : 29 May, 2018

Consolidated Balance Sheet as at 31.03.2018

Rupees in Lakh

Particulars	Note No	As At		
		31.03.2018	31.03.2017	01.04.2016
ASSETS				
Non-Current Assets				
a Property, Plant and Equipment	2	7,576.83	8,201.74	8,861.48
b Capital Work in Progress		129.35	128.68	376.46
c Goodwill	2	2,091.58	2,091.58	1,598.32
d Financial Assets				
i Investments	3	6,092.75	2,902.23	1,848.20
ii Others	4	20.19	92.09	95.29
e Other Non-Current Assets	5	1.66	82.63	203.80
Current Assets				
a Inventories	6	528.33	488.60	469.59
b Financial Assets				
i Trade Receivables	7	843.40	2,603.48	3,124.49
ii Cash and Cash Equivalents	8	472.21	25.21	136.39
iii Bank Balances other than (ii) above	9	83.12	455.17	454.22
iv Loans	10	319.09	-	-
c Other Current Assets	11	187.51	179.11	137.39
Total Assets		18,346.02	17,250.52	17,305.64
EQUITY AND LIABILITIES				
Equity				
a Equity Share capital	12	1,156.99	1,156.99	1,156.99
b Other Equity	13	7,001.23	4,738.12	2,465.52
Non Controlling Interest		391.84	519.04	720.88
Liabilities				
Non-Current Liabilities				
a Financial Liabilities				
Borrowings	14	4,975.14	2,247.52	4,044.51
b Provisions	15	43.55	31.18	65.07
c Deferred Tax Liabilities (Net)	32a	2,029.26	1,213.79	1,307.08
Current Liabilities				
a Financial Liabilities				
i Borrowings	16	1,248.31	5,300.18	5,230.94
ii Trade Payables	17	102.63	106.79	291.84
iii Others	18	1,131.93	1,690.16	1,786.23
b Other Current Liabilities	19	142.45	157.71	189.55
c Provisions	20	17.15	28.65	7.77
d Current Tax Liabilities (Net)		105.54	60.39	39.26
Total Equity and Liabilities		18,346.02	17,250.52	17,305.64

As per our report of even date attached

For Batliboi & Purohit
 Chartered Accountants
 Firm Regn. No. 101048W

Atul Mehta
 Partner
 Membership No. 015935
 Mumbai, Dated : 29.05.2018

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 Statement of Profit and Loss Account for the year ended 31.03.2018

Rupees in Lakh

Particulars	Note No	Year Ended	
		31.03.2018	31.03.2017
1 Income			
[a] Revenue from Operations	21	4,029.53	3,262.45
[b] Other Income	22	37.65	135.41
Total Income		4,067.18	3,397.86
2 Expenses			
[a] Purchases of Stock-in-Trade	23	58.52	46.96
[b] Changes in Inventories		(45.30)	(22.44)
[c] Operation and Maintenance Cost	24	1,599.73	824.64
[d] Employee Benefits Expense	25	406.23	491.65
[e] Finance Costs	26	785.04	1,154.30
[f] Depreciation and Amortisation Expense	2	625.64	650.48
[g] Bad Debts		493.30	349.14
[h] Other Expenses	27	325.22	274.33
Total Expenses		4,248.38	3,769.06
3 Profit / (Loss) before Tax (1 - 2)		(181.20)	(371.20)
4 Tax Expense:			
[a] Current Tax		102.58	129.37
[b] Less : MAT Credit (where applicable)		-	(0.28)
[c] Current Tax Expense relating to Prior Year's		-	(7.95)
[d] Deferred Tax	32a	88.75	(281.48)
Total Tax Expenses		191.33	(160.34)
5 Profit / (Loss) after Tax before Share of Associate (3-4)		(372.53)	(210.86)
Share in Associates		1.09	1.45
		(371.44)	(209.41)
Other Comprehensive Income			
i Items that will not be reclassified to Profit or Loss			
Re-measurement Gains / (Losses) on defined benefit plans		61.70	12.30
Tax effect		(17.06)	(3.13)
Net Gain / (Loss) on Fair Value through OCI - Equity Securities		3,064.32	855.78
Tax effect		(726.73)	(188.19)
Share in OCI of Associate		125.10	11.76
Total Other Comprehensive Income (Net of Tax)		2,507.33	688.52
Total Comprehensive Income for the year		2,135.89	479.11
6 Profit for the year attributable to:			
- Owners of the Company		(244.24)	(7.56)
- Non Controlling Interest		(127.20)	(201.85)
Total		(371.44)	(209.41)
7 Other comprehensive income for the year attributable to:			
- Owners of the Company		2,507.33	688.52
- Non Controlling Interest		-	-
Total		2,507.33	688.52
8 Total comprehensive income for the year attributable to:			
- Owners of the Company		2,263.09	882.81
- Non Controlling Interest		(127.20)	(201.85)
Total		2,135.89	680.96
9 Paid up Equity Share Capital (Rs 10/- Per Share)		1,156.99	1,156.99
10 Earning per Share (of Rs 10/- each)			
[a] Basic		(2.11)	(0.07)
[b] Diluted		(2.11)	(0.07)
See Accompanying Notes to the Financial Statements	1 to 42		

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Regn. No. 101048W

Atul Mehta
Partner
Membership No. 015935
Mumbai, Dated : 29.05.2018

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 Statement of Cash Flow for the year ended 31.03.2018

Rupees in Lakh

Particulars	Year Ended	
	31.03.2018	31.03.2017
Cash Flow from Operating Activities		
Net Profit / (Loss) before extraordinary items and tax	(181.20)	(371.20)
<u>Adjustments for:</u>		
Depreciation and Amortisation	625.64	650.48
Bad Debts	493.30	349.14
Loss on Sale / Discard of Asset	-	24.82
Profit on Sale of Subsidiaries	-	(5.73)
Preliminary Expenses Written Off	-	2.00
Dividend Paid	0.10	-
Miscellaneous Expenditure	0.02	(0.07)
Operating profit / (loss) before working capital changes	937.86	649.44
<u>Changes in working capital:</u>		
Adjustments for (increase) / decrease in operating assets		
Inventories	(39.73)	(19.01)
Trade receivables	1,266.78	171.87
Short-term loans and advances	(319.09)	-
Other current assets	(8.40)	(41.72)
Other non-current assets	142.67	133.47
Other non-current financial assets	71.90	3.20
	2,051.99	897.25
Adjustments for increase / (decrease) in operating liabilities		
Trade payables	(4.16)	(185.05)
Other current liabilities	(15.26)	(31.84)
Other current financial liabilities	(558.23)	(96.07)
Short-term provisions	(11.50)	20.88
Long-term provisions	12.37	(33.89)
Cash generated from operations	1,475.21	571.28
Net Income Tax Paid / (Refund)	(74.49)	(103.42)
Net cash flow from / (used in) operating activities (A)	1,400.72	467.86
Investments in Fixed Assets		
Purchase of Fixed Assets	(0.74)	(18.08)
Capital Work In Progress	(0.67)	247.78
Bank Deposits	371.94	(0.96)
Sale of Fixed Assets	-	1.75
Sale of Investments	-	619.95
Net cash flow from Investing activities (B)	370.53	850.44
Financing		
Proceeds from Subsidy	-	255.00
Profit from Cessation of Subsidiaries	-	45.26
Shares Issue Expenses	-	(2.00)
<u>Long Term Borrowings</u>		
Loans Taken	4,000.00	-
Loans Repaid	(1,272.38)	(1,796.99)
<u>Short Term Borrowings</u>		
Loans Taken	3,537.16	5,946.16
Loans Repaid	(7,589.03)	(5,876.92)
Net cash flow from Financing activities (C)	(1,324.25)	(1,429.49)
Total (A + B + C)	447.00	(111.19)
Cash and Cash Equivalent at the Beginning of the year	25.21	136.40
Cash and Cash Equivalent at the End of the year	472.21	25.21
	447.00	(111.19)
Break-up of Cash and Cash Equivalent at the End of the year as under :		
(a) Cash on Hand	0.08	1.30
(b) Balances with banks in current accounts	472.13	23.91

Change in Liability arising from financing activities

	01.04.2017	Cash Flow	31.03.2018
Borrowing - Non Current (Refer Note 15)	3,849.34	2,181.66	6,031.00
Borrowing - Current (Refer Note 17)	5,300.18	(4,051.87)	1,248.31

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Regn. No. 101048W

Atul Mehta
Partner
Membership No. 015935
Mumbai, Dated : 29.05.2018

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 Statement of Changes in Equity for the period ended 31.03.2018

A. Equity Share Capital

Rupees in Lakh

Balance as on 01.04.2016	1,156.99
Changes during the year 2016-2017	-
Balance as on 31.03.2017	1,156.99
Balance as on 01.04.2017	1,156.99
Changes during the year 2017-2018	-
Balance as on 31.03.2018	1,156.99

B. Other Equity

As on 31.03.2017

	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Total
	General Reserve	Capital Reserve	Retained Earnings		
Balance at the beginning of the reporting period 01.04.2016	3,074.95	87.89	(1,547.47)	850.15	2,465.52
Other Comprehensive Income for the year	-	-	9.17	679.35	688.52
Add : On Cessation of Subsidiaries	-	-	45.26	-	45.26
Add : On Increase in stake in Subsidiary	-	-	1,291.38	-	1,291.38
MNRE Subsidy	-	255.00	-	-	255.00
Profit / (Loss) for the year	-	-	(7.56)	-	(7.56)
Balance at the end of the reporting period 31.03.2017	3,074.95	342.89	(209.22)	1,529.50	4,738.12

As on 31.03.2018

	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Total
	General Reserve	Capital Reserve	Retained Earnings		
Balance at the beginning of the reporting period 01.04.2017	3,074.95	342.89	(209.22)	1,529.50	4,738.12
Total Comprehensive Income for the year	-	-	44.66	2,462.69	2,507.33
Profit / (Loss) for the year	-	-	(244.24)	-	(244.24)
Balance at the end of the reporting period 31.03.2018	3,074.95	342.89	(408.80)	3,992.19	7,001.23

Notes to Consolidated Financial Statements for the year ended 31.03.2018

Note No : 1 Corporate Information and Significant Accounting Policies, Judgments etc.

1.1 CORPORATE INFORMATION

Karma Energy Limited ("the Company") is a company domiciled in India, with its registered office situated at Empire House, 214, Dr. D. N. Road, Ent. A. K. Nayak Marg, Fort, Mumbai - 400001. The Company has been incorporated under the provision of Indian Companies Act and its equity shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The location of its wind power plants are disclosed in the introduction to the annual report. The Company is engaged in generation of power from renewable sources like Wind, Hydro, Solar, etc. The Consolidated financial statements comprise the company, its subsidiaries and its interest in Associates (referred to collectively as the Group).

1.2 BASIS OF PREPARATIONS AND SIGNIFICANT ACCOUNTING POLICIES

A Basis of Preparation and Presentation

i Statement of Compliance

The Consolidated financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Upto the year ended March 31, 2017, the Company has prepared its Consolidated financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

The accounts have been compiled on an accrual system based on principle of going concern.

These financial statements are the Company's first Ind AS Consolidated financial statements.

The Consolidated financial statements were authorised for issue by the Company's Board of Directors on 29th May 2018.

ii Functional and Presentation Currency

Company's financial statements are presented in Indian Rupees, which is also its functional currency. All amounts have been rounded off to 2 decimal places to the nearest lakh and unless otherwise indicated.

iii Basis of measurement

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- a Certain financial assets and liabilities,
- b Defined benefit plans - plan assets

B Basis of Consolidation

i Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

ii Non-Controlling Interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iii Associates

Associates are entity over which the group has significant influence but not control or joint control over the financial and operating policies.

Interest in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction cost. Subsequent to initial recognition, the consolidated financial statement include the group's share of profit or loss and other comprehensive income of equity accounted investees until the date on which significant influence cease.

iv Equity Method

Under the equity method of accounting, the investments are initial recognised at cost and adjusted thereafter to recognise the group's share of the post acquisition profit or losses of the investee in profit and losses and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investments.

When the group's share of losses in an equity debts accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

v Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investments to the extent of the groups interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

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

vii **Associate Companies considered in the consolidated financial statements**

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

viii **Principles of Consolidation**

The Consolidated financial statements relate to Karma Energy Limited, Subsidiary Companies and its Associate Companies.

Investment in Subsidiaries and Associates has been accounted under the equity method as per Ind AS 28 Investments in Subsidiary, Associate and Joint Ventures.

C **Summary of significant accounting policies**

i a Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

b Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Assets	Management estimate of useful life	Useful life as per Schedule II of the Companies Act, 2013
Plant & Machinery - Wind Power Plant	22 Years	22 Years
Plant & Machinery - Hydro Power Plant	40 years	40 years
Road - Non RCC	5 Years	5 Years
Office Equipment's	5 Years	5 Years
Office Equipment's- Computers	3 Years	3 Years
Vehicles	8 Years	8 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

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

ii Leases

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Company's Balance Sheet.

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership been classified as finance leases. Finance leases are capitalised at the lease's inception at

the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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

iii Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

iv Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of raw materials, chemicals, packing Materials, components, stores and spares and other products are determined on FIFO basis.

v Impairment of non-financial assets

The Company assesses at each reporting date as to whether there is any indication that any asset or group of assets, called cash generating units may be impaired. If any such indication exists the recoverable amount of an asset or cash generating units is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating units to which the asset belongs.

If the carrying amount of 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.

vi Provisions and Contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assumptions of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a

third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

vii Employee Benefits

Short Term Employee Benefits : The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits :

Defined Contribution Plans - A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans - The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972 or otherwise contractually agreed with the employees.

The gratuity liability amount is contributed to the approved gratuity fund formed (LIC) exclusively for gratuity payment to the employees. The gratuity fund has been approved by Income Tax authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

viii Tax Expenses

Income tax comprises of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

ix Foreign currencies transactions

Transactions in foreign currencies are initially recorded by the company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

x Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from rendering of service is recognised when the performance of agreed contractual task has been completed.

Interest Income - Interest income is recognised using Effective Interest Rate (EIR) method.

Income on Inter Corporate Deposits is accounted for on time accrual basis

Dividend Income - Revenue is recognised when the Company's right to receive the payment has been established.

xi Financial instruments

i) **Financial Assets**

a Recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

A financial asset is measured at amortized cost if it is held with objective to hold the asset in order to collect contractual cash flows as and when due.

A financial assets is measured at FVTOCI if it is held with an objective to achieve collecting contractual cash flows as and when due and selling financial assets.

A financial assets which is not classified under any of the above categories are measured at FVTPL.

b Investment in Associates and Subsidiaries

The Company has accounted for its investments in associates and subsidiaries at cost.

c Other Equity Investments

All other equity investments and equity instruments held for trading are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

d Impairment of financial assets

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

e Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

ii) **Financial Liabilities**

Recognition and measurement - All financial liabilities are recognized at fair value and in case

of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

iii) **Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

xii Cash and Cash Equivalents

Cash and Cash Equivalents consist of cash on hand, cash at banks, demand deposits from banks and short term, highly liquid instruments.

xiii Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

xiv Classification of current / non current assets and liabilities

All assets and liabilities are presented as current or non current as per the Company's normal operation cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 Presentation of financial statements. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of current / non current classification of assets and liabilities.

xv Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows

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

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

xvi Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

1.3 ACCOUNTING JUDGEMENTS AND ESTIMATION OF UNCERTAINTY

a Depreciation and useful lives of Property, Plant and Equipment : Property, plant and equipment are depreciated over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets. The depreciation for future periods is revised if there are significant changes from previous estimates.

b Recoverability of trade receivable
Judgements are applied in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required.

c Provisions
Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d Defined benefit obligations
The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

1.4 FIRST TIME ADOPTION OF INDAS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Exemptions from retrospective application

i Business combination exemption
Business combination exemption - The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to April 1, 2016 (the "Transition Date"), pursuant to which goodwill / capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.

ii Deemed cost exemption for Property, Plant and Equipment
The Company has elected to measure items of property, plant and equipment at its carrying value at the transition date.

iii Investments in Associates and Subsidiaries
Investments in Subsidiaries and Associates - The Company has elected to measure investment in Subsidiaries and Associates at cost.

1.5 STANDARDS ISSUED / AMENDED BUT NOT YET EFFECTIVE

i Ind AS 115- Revenue from Contract with Customers : On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018. In which, it has notified the Ind AS 115, Revenue from Contract with Customers. The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The core principle of this Standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

This standard has come into force from April 1, 2018. The management of the company is under process of evaluating the effect on adoption of Ind AS 115 on the financial statements of next reporting date.

ii Appendix B to Ind AS 21, Foreign currency transactions and advance consideration : On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018. In which, it has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration, which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment has come into force from April 1, 2018. As per the evaluation of the management of the company, the effect of this amendment is not material to the company.

Notes to the Consolidated Financial Statements for the year ended 31.03.2017

Note No : 2 - Property, Plant and Equipment

Rupees in Lakh

Description					Depreciation				Net Block	
	As At 01.04.2016	Addi- tions	Deduc- tions	As At 31.03.2017	As at 01.04.2016	For the Year	Dedu- ctions	As At 31.03.2017	As At 31.03.2017	As At 31.03.2016
Land - Freehold	121.93	-	-	121.93	-	-	-	-	121.93	121.93
Plant and Machinery	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 and Civil Engineering	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 and 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
Total (A)	19,648.74	18.08	34.30	19,632.52	10,787.26	650.48	6.96	11,430.78	8,201.74	8,861.48
Intangible Assets:										
Goodwill	1,598.32	1,291.38	798.12	2,091.58	-	-	-	-	2,091.58	1,598.32
Total (B)	1,598.32	1,291.38	798.12	2,091.58	-	-	-	-	2,091.58	1,598.32
Total (A + B)	21,247.06	1,309.46	832.42	21,724.10	10,787.26	650.48	6.96	11,430.78	10,293.32	10,459.80

Notes to the Consolidated Financial Statements for the year ended 31.03.2018

Note No : 2 - Property, Plant and Equipment

Rupees in Lakh

Description					Depreciation				Net Block	
	As At 01.04.2017	Addi- tions	Deduc- tions	As At 31.03.2018	As at 01.04.2017	For the Year	Dedu- ctions	As At 31.03.2018	As At 31.03.2018	As At 31.03.2017
Land - Freehold	121.93	-	-	121.93	-	-	-	-	121.93	121.93
Plant and Machinery	16,731.27	0.12	-	16,731.39	10,832.13	515.75	-	11,347.88	5,383.49	5,899.14
Building and Civil Engineering	2,681.70	-	-	2,681.70	534.47	102.37	-	636.84	2,044.86	2,147.23
Office Equipment	7.94	0.22	-	8.16	5.52	1.01	-	6.53	1.63	2.42
Computers	6.41	0.40	-	6.81	5.55	0.30	-	5.85	0.96	0.86
Furniture and Fixtures	3.82	-	-	3.82	3.03	0.20	-	3.23	0.59	0.79
Vehicles	79.45	-	-	79.45	50.07	6.01	-	56.08	23.37	29.38
Total (A)	19,632.52	0.74	-	19,633.26	11,430.77	625.65	-	12,056.42	7,576.83	8,201.75
Intangible Assets:										
Goodwill	2,091.58	-	-	2,091.58	-	-	-	-	2,091.58	2,091.58
Total (B)	2,091.58	-	-	2,091.58	-	-	-	-	2,091.58	2,091.58
Total (A + B)	21,724.10	0.74	-	21,724.84	11,430.77	625.65	-	12,056.42	9,668.41	10,293.33

Notes to the Consolidated Financial Statements for the year ended 31.03.2018

Rupees in Lakh (except no. of shares)

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Note No : 3						
NON - CURRENT INVESTMENTS						
Investments in Equity Instruments (Fully Paid-up)						
(A) Investment measured at cost (unquoted)						
<u>In Associates</u>						
Weizmann Corporate Services Ltd	15960	347.06	15960	220.74	15960	207.42
Baledh Energy Projects Ltd	17648	185.05	17648	185.18	-	-
Total of Investments measured at Cost		532.11		405.92		207.42
(B) Investments measured at Fair Value through Other Comprehensive Income						
Quoted						
<u>Fully paid up Equity Shares</u>						
Weizmann Forex Ltd	1000	10.58	1000	3.48	1000	1.77
Weizmann Ltd	1000	0.40	1000	0.41	1000	0.19
Sub Total - (i)		10.98		3.89		1.96
Unquoted						
<u>Fully paid up Equity Shares</u>						
Windia Infrastructure Finance Ltd	4441900	5,082.22	4441900	2,227.51	4441900	1,501.90
Tapi Energy Projects Ltd	1439105	467.09	1439105	264.61	1439105	136.39
Avinaya Resources Limited	50	0.09	50	0.05	50	0.03
The Saraswat Co-op Bank Ltd	2500	0.25	2500	0.25	5000	0.50
Sub Total - (ii)		5,549.65		2,492.42		1,638.82
Total (B)		5,560.63		2,496.31		1,640.78
Total Non Current Investments		6,092.74		2,902.23		1,848.20
Aggregate amount of quoted investments		10.98		3.89		1.96
Market value of quoted investments		10.98		3.89		1.96
Aggregate amount of unquoted investments		6,081.76		2,898.34		1,846.24
Aggregate impairment in value of Investments		-		-		-

Notes to the Consolidated Financial Statements for the year ended 31.03.2018

Rupees in Lakh

Particulars	As At		
	31.03.2018	31.03.2017	01.04.2016
Note No : 4			
OTHERS - Financial Asset (Non-Current)			
Security Deposits	20.19	92.09	95.29
Total	20.19	92.09	95.29
Note No : 5			
OTHER NON-CURRENT ASSETS			
Capital Advances	-	-	0.15
Other Receivables	1.66	82.63	203.65
Total	1.66	82.63	203.80
Note No : 6			
INVENTORIES			
Wind Farm Development	238.01	212.33	189.57
Stock-in-Trade, Loose Tools, Stores and Spares	290.32	276.27	280.02
Total	528.33	488.60	469.59
Note No : 7			
TRADE RECEIVABLES			
[Unsecured, Considered Good]			
Trade Receivables - Power	772.59	2,603.48	3,124.49
Trade Receivables - Others	70.81	-	-
Total	843.40	2,603.48	3,124.49
Note No : 8			
CASH AND CASH EQUIVALENTS			
Cash on Hand	0.08	1.30	0.31
Balance with banks :			
- In Current Account	472.13	23.91	136.08
Total	472.21	25.21	136.39
Note No : 9			
OTHER BANK BALANCE			
- In Fixed Deposits Account	77.03	448.97	448.01
- In Dividend Account	6.09	6.20	6.21
Total	83.12	455.17	454.22
Note No : 10			
LOANS (Current)			
[Unsecured, Considered Good]			
Loans to Related Parties	316.70	-	-
Loans to Others	2.39	-	-
Total	319.09	-	-
Note No : 11			
OTHER CURRENT ASSETS			
Advances Recoverable	112.83	72.69	46.54
Prepaid Expenses	39.35	33.57	33.83
Balances with Revenue Authorities	35.33	72.85	57.02
Total	187.51	179.11	137.39

Notes to the Consolidated Financial Statements for the year ended 31.03.2018

Rupees in Lakh (except no. of shares)

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Note No : 12						
SHARE CAPITAL						
Authorised Share Capital						
Equity Shares of Rs. 10/- each	18000000	1,800.00	18000000	1,800.00	18000000	1,800.00
	18000000	1,800.00	18000000	1,800.00	18000000	1,800.00
Issued, Subscribed & Paid Up						
Equity Shares of Rs. 10/- each	11569918	1,156.99	11569918	1,156.99	11569918	1,156.99
Total	11569918	1,156.99	11569918	1,156.99	11569918	1,156.99
NOTE [12.1]						
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	11569918	1,156.99	11569918	1,156.99	11569918	1,156.99
Issued during the Year	-	-	-	-	-	-
Outstanding at the end of the Year	11569918	1,156.99	11569918	1,156.99	11569918	1,156.99

NOTE [12.2]

Terms / Rights attached to Equity Shares

- a) The Company has only one class of shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.
- b) 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.
- c) The company has not issued any bonus shares or bought back the equity shares in the last 5 years immediately preceding the reporting date.
- d) 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 [12.3]

Details of shares held by each shareholder holding more than 5% shares :

Particulars	No of Shares	Holding %	No of Shares	Holding %	No of Shares	Holding %
Chetan Mehra on behalf of Tanraj Enterprises	-	-	-	-	1093765	9.45%
Radhika Mehra	796715	6.89%	796715	6.89%	-	-
Prabhanjan Multitrade Pvt Ltd on behalf of Suhami Power And Finance Corporation	-	-	-	-	827071	7.15%
Dharmendra G Siraj	828345	7.16%	-	-	-	-
Prabhanjan Multitrade Pvt Ltd	579843	5.01%	647033	5.59%	647033	5.59%
Anju D. Siraj	988097	8.54%	688097	5.95%	828734	7.16%
Inspeed Power Pvt Ltd	2119442	18.32%	2040943	17.64%	1652835	14.29%
Kotta Enterprises Ltd	2294026	19.83%	2294026	19.83%	2294026	19.83%

Notes to the Consolidated Financial Statements for the year ended 31.03.2018

Rupees in Lakh

Particulars	As At		
	31.03.2018	31.03.2017	01.04.2016
Note No : 13			
OTHER EQUITY			
Capital Subsidy			
Opening Balance	342.89	87.89	87.89
Add : MNRE Subsidy	-	255.00	-
Closing Balance	342.89	342.89	87.89
General Reserve			
Opening Balance	3,074.95	3,074.95	3,074.95
Closing Balance	3,074.95	3,074.95	3,074.95
Retained Earnings			
Opening Balance	(209.22)	(1,547.47)	(929.29)
Less : Leasehold Land Net of amortisation reversed as per Ind-AS	-	-	(163.43)
Add : On Cessation of Subsidiaries	-	45.26	-
Add : On Increase in stake in Subsidiary	-	1,291.38	-
Add : Profit / (Loss) for the Year	(199.58)	1.61	(454.75)
Closing Balance	(408.80)	(209.22)	(1,547.47)
Other Comprehensive Income (OCI)			
Opening Balance	1,529.50	850.15	-
Add : Movement in OCI (Net) during the year	2,462.69	679.35	850.15
Closing Balance	3,992.19	1,529.50	850.15
Total	7,001.23	4,738.12	2,465.52
Note No : 14			
BORROWINGS			
From Banks	4,975.14	2,247.52	4,044.51
Total	4,975.14	2,247.52	4,044.51

Note [14.1] - Secured Term Loan from Banks

Name	Tenor	31.03.2018	31.03.2017	01.04.2016
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 monthly installments starting from April 2012	-	-	523.48
Uco Bank	40 varied quarterly installments starting from January 2005	73.56	518.37	737.13
The Saraswat Co-op. Bank Ltd.	60 equal monthly installments starting from October 2014	2.04	5.46	8.55
HDFC Bank Ltd	84 equal monthly installments starting from April 2018	3,500.58	-	-
Volkswagen Finance Pvt. Ltd.	59 equal monthly installments starting from May 2014	0.16	2.15	3.98
RBL Bank Ltd	120 equal monthly installments starting from April 2016	1,398.80	1,599.20	1,799.60
RBL Bank Ltd	9 equal quarterly installments starting from April 2016	-	-	242.89
		4,975.14	2,247.52	4,044.51

1. Security against Term Loan from Uco Bank is charged on receivable from specific wind farm of 7.0 MW
2. Security against Term Loan from Saraswat Co-op Bank Ltd is charged on specific vehicle
3. Security against Term Loan from HDFC Bank Ltd is charged on receivable from specific wind farm of 18.0 MW
4. Security against Term Loan from Volkswagen Finance Pvt Ltd is charged on specific vehicle
5. Security against Term Loan from RBL Bank Ltd is charged on specific hydro power project of 3.5 MW and guaranteed by Weizmann Forex Ltd

Rupees in Lakh

Particulars	As At		
	31.03.2018	31.03.2017	01.04.2016
Note No : 15			
LONG TERM PROVISIONS			
Provision for Employee Benefits			
Leave Encashment	43.55	31.18	65.07
Total	43.55	31.18	65.07
Note No : 16			
FINANCIAL LIABILITIES - CURRENT			
Unsecured Loans			
From Related Parties	361.52	500.00	494.87
From Others	886.79	4,800.18	4,736.07
Total	1,248.31	5,300.18	5,230.94
Note No : 17			
TRADE PAYABLES			
Micro, Small and Medium enterprises	-	-	-
Others	102.63	106.79	291.84
Total	102.63	106.79	291.84

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.

Rupees in Lakh

Particulars	As At		
	31.03.2018	31.03.2017	01.04.2016
Note No : 18			
OTHER FINANCIAL LIABILITIES			
Current Maturities of Long-Term Debt	1,055.86	1,601.82	1,695.18
Bonus Payable	12.39	13.60	12.94
Leave Travel Assistance	3.21	2.34	1.74
Other Payables	54.37	66.20	70.16
Unclaimed Dividend *	6.10	6.20	6.21
Total	1,131.93	1,690.16	1,786.23
* There are no amounts due and outstanding, to be credited to Investor Education and Protection Fund as at 31.03.2018			
Note No : 19			
OTHER CURRENT LIABILITIES			
Statutory Obligations	142.45	157.71	189.55
Total	142.45	157.71	189.55
Note No : 20			
PROVISIONS			
Provision for Employee Benefits			
Leave Encashment	17.15	28.65	7.77
Total	17.15	28.65	7.77

Notes to the Consolidated Financial Statements for the year ended 31.03.2018

Rupees in Lakh

Particulars	Year Ended	
	31.03.2018	31.03.2017
Note No : 21		
REVENUE FROM OPERATIONS		
Sale of Power and Products	2,797.02	2,985.62
Other Operating Revenues	1,232.51	276.83
Total	4,029.53	3,262.45
Note No : 22		
OTHER INCOME		
Interest - Bank FDR	14.36	33.41
Interest - Others	0.69	76.90
Dividend - Non Current Investment	0.11	0.08
Profit on Sale of Subsidiaries	-	5.73
Insurance Claim	19.61	-
Other Income	2.33	19.29
Sundry Balances Written Back	0.56	-
Total	37.66	135.41
Note No : 23		
PURCHASE OF TRADED GOODS		
<u>Components</u>		
Indigenous	58.52	45.84
Imported	-	1.12
Total	58.52	46.96
Note No : 24		
OPERATING & MAINTENANCE COST		
Energy / Open Access Charges / Stores and Spares	1,161.11	384.66
Operation and Maintenance	360.11	392.34
Others	60.28	37.16
Stores and Spares Consumed	18.23	10.48
Total	1,599.73	824.64
Note No : 25		
EMPLOYEES BENEFIT EXPENSE		
Salaries, Wages and Bonus	338.82	426.07
Contribution to Provident Funds and Other Funds	48.93	48.90
Staff Welfare Expenses	18.48	16.68
Total	406.23	491.65
Note No : 26		
FINANCE COSTS		
(a) Interest Expense on		
Secured Loans	245.76	619.08
Unsecured Loans	515.16	523.15
Others	13.15	9.65
(b) Other Borrowing Cost	10.97	2.42
Total	785.04	1,154.30

Rupees in Lakh

Particulars	Year Ended	
	31.03.2018	31.03.2017
Note No : 27		
OTHER EXPENSES		
Payment to Auditors	6.61	5.05
Conveyance and Travelling	17.78	18.35
Donation	0.03	0.05
Director Sitting Fees	1.57	-
Electricity Charges	1.07	0.93
Insurance Charges	67.54	61.84
Legal and Professional Charges	34.36	32.78
Loss on Sale / Discard of Asset	-	24.82
Communication Expenses	3.95	-
Rent	33.75	38.77
Rates and Taxes	78.56	14.40
Repairs and Maintenance - Others	3.90	2.89
Security Services	8.57	8.57
Preliminary Expenses W/off	-	2.00
Miscellaneous Expenses	67.53	63.88
	325.22	274.33
Note No : 26.1		
Payment to Auditor		
For Statutory Audit	5.68	4.80
For Tax Audit	0.75	-
For Other Services	0.18	0.25
	6.61	5.05

Notes to Consolidated Financial Statements for the year ended 31.03.2018

Note No

28 CONTINGENT LIABILITIES

Tax matters Rs. 94.69 Lakh (Prev Year - Rs. 198.55 Lakh)

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 18.98 Lac (Prev. Year - Rs. 22.37 Lakh)

29 Disclosure pursuant to Regulation 34(3) and Schedule V of LODR

Loans and Advances to Subsidiary Companies

Rupees in Lakh

Name of the subsidiary company	As at 31.03.2018	Max Bal O/s during the year
Batot Hydro Power Ltd.	655.16 (Nil)	655.16 (Nil)

30 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 Ltd.	India	51.66
2	Brahmanvel Energy Ltd.	India	51.00
3	Greenweiz Projects Ltd.	India	100.00
4	Khandesh Energy Projects Ltd.	India	51.00
5	Vajharpada Energy Ltd.	India	100.00

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

31 INTEREST IN ASSOCIATES

The Groups'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

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
2	% of holding	(15960) 31.92% (31.92%)	(17648) 35.30% (35.30%)
3	Cost of Investment	145.08	185.30
4	Goodwill / (Capital Reserve) included in Cost of Investment	(145.08) 145.08 (145.08)	(185.30) 185.30 (185.30)
5	Share in accumulated Profit / (Losses)	10.37 (9.15)	(0.25) (0.12)
6	Share of increase in reserve during the year	(-) (-)	(-) (-)
7	Carrying Cost	155.45 (154.23)	185.05 (185.18)

32 (a) Deferred Tax

The breakup of Net Deferred Tax Liability as on 31.03.2018

Rupees in Lakh

Particulars	31.03.2018	31.03.2017	01.04.2016
Deferred Tax Liabilities			
On Property, Plant and Equipment	1,567.81	1,633.06	2,086.72
On Fair Value of Investment	1,139.36	412.63	224.45
Sub Total (a) ==>	2,707.17	2,045.69	2,311.17
Deferred Tax Assets			
Unabsorbed Depreciation	336.89	402.65	483.17
Brought Forward Business Loss	325.00	406.06	488.08
Others on account of 43B Disallowance	16.02	23.19	32.84
Sub Total (b) ==>	677.91	831.90	1,004.09
Net Deferred Tax Liability (Assets) (a - b)	2,029.26	1,213.79	1,307.08

33 a Financial Instruments

Accounting classification and fair values

Rupees in Lakh

Particulars	As at 31-03-2018			As at 31-03-2017			As at 01-04-2016		
	FVTPL	FVTOCI	Amotised Cost	FVTPL	FVTOCI	Amotised Cost	FVTPL	FVTOCI	Amotised Cost
Financial Asset									
Non Current Investments *	-	5,560.63	532.11	-	2,496.31	405.92	-	1,640.78	207.42
Other Non Current Financial Asset	-	-	20.19	-	-	92.09	-	-	95.29
Trade Receivables	-	-	843.40	-	-	2,603.48	-	-	3,124.49
Loans	-	-	319.09	-	-	-	-	-	-
Cash and Cash Equivalents	-	-	472.21	-	-	25.21	-	-	136.39
Other Bank Balance	-	-	83.12	-	-	455.17	-	-	454.22
Financial Liabilities									
Long-Term Borrowings	-	-	4,975.14	-	-	2,247.52	-	-	4,044.51
Short-Term Borrowings	-	-	1,248.31	-	-	5,300.18	-	-	5,230.94
Trade Payable	-	-	102.63	-	-	106.79	-	-	291.84
Other Current Financial Liabilities	-	-	142.45	-	-	157.71	-	-	189.55

Note *

- 1 Non Current Investments under FVTOCI includes Quoted and Unquoted Equity Instruments.
- 2 Non Current Investments under Amortised Cost includes Equity Instruments of Subsidiaries and Associates.

b Fair Value Measurement Hierarchy :

Rupees in Lakh

Particulars	As at 31-03-2018			As at 31-03-2017			As at 01-04-2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Asset									
Non Current Investments **	10.98	5,549.65	-	3.89	2,492.42	-	1.96	1,638.82	-

Note **

- 1 Non Current Investment includes Quoted and Unquoted Equity Instruments.

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value of measurements as described below:

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

c Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk; and
- Market risk

i Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

Trade Receivables of the Company mainly consist of receivables from the state utilities and other parties. In respect of receivable from the state utilities, all written off amounts during the past years and current year were pertaining to specific disputes and not related to credit risk. Hence, in the opinion of the management there is no credit loss on receivable from the state utilities.

In respect of Other Receivables, there is no past history of credit loss from these parties, hence there is no expected credit loss on such receivables

iii Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

Contractual cash flows

31 March 2018	Carrying Amount	Total	Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Trade payables	102.63	102.63	102.63	-	-
Other financial liabilities	1,131.93	1,131.93	1,131.93	-	-
Long term borrowings	4,975.14	4,975.14	-	4,975.14	-
Short term borrowings	1,248.31	1,248.31	1,248.31	-	-

Contractual cash flows

31 March 2017	Carrying Amount	Total	Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Trade payables	106.79	106.79	106.79	-	-
Other financial liabilities	1,690.16	1,690.16	1,690.16	-	-
Long term borrowings	2,247.52	2,247.52	-	2,247.52	-
Short term borrowings	5,300.18	5,300.18	5,300.18	-	-

iv Market risk

Market risk is the risk that changes in market prices – such as interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including payables and long term debt. We are exposed to market risk primarily related to interest rate risk. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating.

Currency risk - The Company is not exposed to Foreign Currency Risk.

Interest risk - At the reporting date in the interest rate profile of the Company's interest bearing financial instruments was as follows:

Particulars	Rupees in Lakh	
	31.03.218	31.03.218
<u>Floating Rate Instrument</u>		
Financial Liabilities		
Term Loans	6,030.83	3,724.85
<u>Fixed Rate Instruments</u>		
Financial Liabilities		
Term Loans	2.04	5.46
Inter-Corporate Deposits	1,248.31	5,300.18
	7,281.18	9,030.49

Cash Flow sensitivity analysis for variable-rate instruments

An increase of 50 basis points in interest rates at the reporting date would have decreased gains as at year end by the amounts shown below. This analysis assumes that all other variables remain constant

Particulars	Rupees in Lakh	
	31.03.2018	31.03.2017
Variable rate instruments	30.15	18.62
Cash flow sensitivity	30.15	18.62

A decrease of 50 basis points in interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variable remain constant.

Price Risk - The Company investment in equity instruments in Subsidiaries and Associates are stated at cost and not required to be remeasured. Neither Profit or Loss nor Equity will be affected by the equity price risk of those instruments.

Further the Company investment in equity instruments carried at fair value through Other Comprehensive Income are subject to price risk which may not effect the total comprehensive income of the Company.

To manage its price risk, the Company diversify its portfolio. Diversification of the portfolio is done based on internal review and limits decided by the management from time to time.

Particulars	Rupees in Lakh	
	31.03.2018	31.03.2017
Impact on Other Comprehensive Income		
<u>Investments measured at Other Comprehensive Income</u>		
Increase in price by 10%	1.10	0.39
Decrease in price by 10%	(1.10)	(0.39)

34 EARNINGS PER SHARE

Particulars	31.03.2018	31.03.2017
Net Profit / (Loss) After Tax attributable to Equity Shareholders	(244.24)	(7.56)
Weighted Average Number of Equity Shares	11569918	11569918
Nominal Value per Ordinary Shares	10.00	10.00
Basic & Diluted Earning Per Share	(2.11)	(0.07)

35 RELATED PARTY DISCLOSURE

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:

1 Related Party and their Relationship

Key Management Personnel : Mr. Ganesh N. Kamath - Managing Director
: Mr. T. V. Subramanian - Company Secretary and Chief Financial Officer

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

Rupees in Lakh

Nature of Transaction	Key Management Personnel	
	31.03.2018	31.03.2017
<u>Remuneration</u>	115.14	148.33
Ganesh N. Kamath - Managing Director	23.19	23.91
T.V.Subramanian - Company Secretary and Chief Financial Officer	91.95	124.42

36 EMPLOYEE BENEFIT

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

Particulars	31.03.2018	01.04.2017
Assumptions		
Discount Rate	8.00%	8.00%
Salary Escalation	5.00%	7.00%
Defined Benefit Plan		
I) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Particulars		
Defined Benefit Obligation at the beginning of the year	197.65	208.69
Current Service Cost	10.28	12.47
Past Service Cost	11.78	-
Interest Cost	15.81	16.70
Actuarial (Gain) / Loss	(63.47)	(12.30)
Benefits Paid	(8.21)	(27.91)
Defined Benefit Obligation at year end	163.84	197.65
II) Reconciliation of opening and closing balances of fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	243.97	242.66
Expected Return on Plan Assets	19.52	18.82
Employer Contribution	5.99	10.40
Benefits Paid	(8.21)	(27.91)
Actual Return on Plan Assets excluding Interest Income	(1.77)	-
Fair value of Plan Assets at year end	259.50	243.97
III) Reconciliation of Fair Value of Assets and Obligations		
Present Value of Obligation at the end of the year	(163.84)	(197.65)
Fair value of Plan Assets	259.50	243.97
Present Value of Obligation	95.66	46.32
Amount recognised in Balance Sheet (Surplus / (Deficit))	95.66	46.32
IV) Actuarial Gain / (Loss) recognised		
Actuarial (Gain) / Loss on obligations	(63.47)	(12.30)
Return on Plan Assets, Excluding Interest Income	(1.77)	-
Total (Gain) / Loss for the year	(61.70)	(12.30)
Actuarial (Gain) / Loss recognised in the year	(61.70)	(12.30)
V) Expenses recognised during the year		
Current Service Cost	10.28	12.47
Net Interest Cost	(3.71)	(2.12)
Past Service Cost	11.78	-
Net Cost	18.35	10.35
In Other Comprehensive Income		
Actuarial (Gain) / Loss	(63.47)	(12.30)
Return on Plan Assets	(1.77)	-
Net (Income) / Expense for the period Recognised in OCI	(61.70)	(12.30)

Particulars	31.03.2018	01.04.2017
<u>Maturity Analysis of Projected Benefit Obligation - From the Fund</u>		
Projected Benefits Payable in Future Years from the date of reporting		
1st Following Year	21.04	
2nd Following Year	7.98	
3rd Following Year	3.06	
4th Following Year	3.29	
5th Following Year	117.45	
Sum of years 6 to 10	7.56	
<u>Sensitivity Analysis</u>		
Projected Benefits Obligation on Current Assumption	163.84	
Delta Effect of +1% change in Rate of Discounting	(4.93)	
Delta Effect of -1% change in Rate of Discounting	5.34	
Delta Effect of +1% change in Rate of Salary Increase	5.44	
Delta Effect of -1% change in Rate of Salary Increase	(5.10)	
Delta Effect of +1% change in Rate of Employee Turnover	0.70	
Delta Effect of -1% change in Rate of Employee Turnover	(0.75)	

37 SEGEMENT 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.

38 Capital management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the company consists of net debt (borrowings as detailed in notes No. 13, 15 & 18 offset by cash and bank balances) and equity of the Company (comprising issued capital, reserves and retained earnings as detailed in notes 11 and 12).

The company is not subject to any externally imposed capital requirements.

Gearing Ratio - The gearing ratio at end of the reporting period was as follows.

Rupees in Lakh

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Debt	7,279.31	9,149.52	10,970.63
Cash and Cash Equivalent	472.21	25.21	136.39
Net Debt	6,807.10	9,124.31	10,834.24
Equity	8,158.22	5,895.11	3,622.51
Net Debt to Equity Ratio	0.83	1.55	2.99

Debt is defined as long-term and short-term borrowings including current maturities of long term borrowings, as given in notes 13, 15 and 18.

39 These financial statements are approved for issue by the Board of Directors of the Company on 29.05.2018

40 IndAS 101 Reconciliations

Effect of INDAS adoption on the Standalone Balance Sheet as at 31.03.2017 and 01.04.2016

Rupees in Lakh

Particulars	31.03.2017			01.04.2016		
	Previous GAAP	Effect of transition to IND AS	As per IND AS	Previous GAAP	Effect of transition to IND AS	As per IND AS
ASSETS						
Non-Current Assets						
a Property, Plant and Equipment	8,359.32	(157.58)	8,201.74	9,024.91	(163.42)	8,861.49
b Capital Work in Progress	128.68	-	128.68	376.46	-	376.46
c Other Intangible Assets	2,091.58	-	2,091.58	1,598.32	-	1,598.32
d <u>Financial Assets</u>						
i Investments	960.12	1,942.11	2,902.23	773.63	1,074.57	1,848.20
ii Loans and Advances	92.09	-	92.09	95.29	-	95.29
e Other Non-Current Assets	82.63	-	82.63	203.80	-	203.80
Current Assets						
a Inventories	488.60	-	488.60	469.59	-	469.59
b <u>Financial Assets</u>						
i Trade Receivables	2,603.48	-	2,603.48	3,124.49	-	3,124.49
ii Cash and Cash Equivalents	31.41	-	31.41	142.60	-	142.60
iii Bank Balances other than (iii) above	442.85	-	442.85	407.48	-	407.48
v Others (to be specified)	6.12	-	6.12	40.53	-	40.53
c Other Current Assets	179.11	-	179.11	137.39	-	137.39
Total Assets	15,465.99	1,784.53	17,250.52	16,394.49	911.15	17,305.64
EQUITY AND LIABILITIES						
Equity						
a Equity Share capital	1,156.99	-	1,156.99	1,156.99	-	1,156.99
b Other Equity	3,366.22	1,371.68	4,737.90	1,778.80	686.72	2,465.52
Non controlling interest	519.04	-	519.04	720.88	-	720.88
Liabilities						
Non-Current						
a <u>Financial Liabilities</u>						
Borrowings	2,247.52	-	2,247.52	4,044.51	-	4,044.51
b Provisions	31.18	-	31.18	65.07	-	65.07
c Deferred Tax Liabilities (Net)	801.16	412.85	1,214.01	1,082.63	224.43	1,307.06
Current						
a <u>Financial Liabilities</u>						
i Borrowings	5,300.27	-	5,300.27	5,230.94	-	5,230.94
ii Trade Payables	84.26	-	84.26	291.84	-	291.84
iii Other Financial Liabilities (other than those specified in item (c)	1,601.82	-	1,601.82	1,695.18	-	1,695.18
b Other Current Liabilities	196.38	-	196.38	169.04	-	169.04
c Provisions	28.65	-	28.65	119.35	-	119.35
d Current Tax Liabilities (Net)	132.50	-	132.50	39.26	-	39.26
Total Equity and Liabilities	15,465.99	1,784.53	17,250.52	16,394.49	911.15	17,305.64

Reconciliation of Equity for the year ended 01.04.2016 and 31.03.2017 as reported under previous GAAP and now under Ind AS is as follows :

Particulars	Year Ended	
	31.03.2017	01.04.2016
Total Equity as per previous GAAP	4,523.21	2,935.79
Net Gain / (Loss) on Fair Value through OCI - Equity	1,942.11	1,074.57
Adjusted towards Depreciation on Leased Assets	(157.58)	(163.42)
Tax effect on above (wherever applicable)	(412.63)	(224.43)
Total Equity as per Ind AS	5,895.11	3,622.51

Effect of IND AS adoption on the Standalone Statement of Profit & Loss for the year ended 31.03.2017

Rupees in Lakh

Particulars	31.03.2017		
	Previous GAAP	Effect of transition to IND AS	As per IND AS
1 Income			
[a] Revenue from Operations	3,262.45	-	3,262.45
[b] Other Income	135.41	-	135.41
Total Income	3,397.86	-	3,397.86
2 Expenses			
[a] Purchases of Stock-in-Trade	46.96	-	46.96
[b] Changes in Inventories	(22.44)	-	(22.44)
[c] Operation and Maintenance Cost	824.64	-	824.64
[d] Employee Benefits Expense	479.35	12.30	491.65
[e] Finance Costs	1,154.30	-	1,154.30
[f] Depreciation and Amortisation Expense	656.32	(5.84)	650.48
[g] Bad Debts	349.14	-	349.14
[h] Other Expenses	274.33	-	274.33
Total Expenses	3,762.60	6.46	3,769.06
3 Profit / (Loss) before Tax (1 - 2)	(364.74)	(6.46)	(371.20)
4 Tax Expenses			
[a] Current Tax	132.50	3.13	129.37
[b] Deferred Tax	(281.48)	-	(281.48)
[c] MAT Credit Entitlement	(0.28)	-	(0.28)
[d] Prior Year Taxation	(7.95)	-	(7.95)
Total Tax Expenses	(157.21)	3.13	(160.34)
5 Profit / (Loss) after Tax (3 - 4)	(207.53)	(9.59)	(210.86)
Non Controlling Interest	(201.85)	-	(201.85)
Share in Associates	1.45	-	1.45
Profit / (Loss) after Tax Minority Interest & Share of Associates	(4.23)	-	(7.56)
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Re-measurement Gains / (Losses) on defined benefit plans			12.30
Tax effect			(3.13)
Net Gain / (Loss) on Fair Value through OCI - Equity Securities			855.78
Tax effect			(188.19)
Share in OCI of Associate			11.76
Total Other Comprehensive Income (Net of Tax)			688.52
Total Comprehensive Income for the year			680.96

Reconciliation of Net Profit / (Loss) for the year ended 31.03.2017 as reported under previous GAAP and now under Ind AS is as follows :

Particulars	Year Ended 31.03.2017
Net Profit / (Loss) as per previous GAAP	(4.23)
Re-measurement loss on defined benefit plans accounted	(12.30)
Depreciation / Amortisation on Leased Assets	5.84
Tax effect on above (wherever applicable)	3.13
Total Equity as per Ind AS	(7.56)
Other Comprehensive Income	
Re-measurement Gains / (Losses) on defined benefit plans	12.30
Tax effect	(3.13)
Net Gain / (Loss) on Fair Value through OCI - Equity Securities	855.78
Tax effect	(188.19)
Share in OCI of Associate	11.76
Total Other Comprehensive Income (Net of Tax)	688.52
Total Comprehensive Income for the year	680.96

- 1 **Fair Valuation for Financial Assets** - The Company has valued financial assets (other than investment in Associates which are accounted at cost), at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of profit and Loss or other Comprehensive income, as the case may be.
 - 2 **Deferred Tax** - The impact of transaction adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for the computation of deferred taxes has resulted in changes to the reserves, on the date of transition, with consequential impact to the statement of profit and loss for the Subsequent periods.
 - 3 **Remeasurements of post-employment benefit obligation** - Under Previous GAAP the Company recognised actuarial gains and losses in the Statement of Profit and Loss. Under Ind AS, re-measurements, i.e., actuarial gains and losses, the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised in Other Comprehensive Income instead of Statements of Profit and Loss.
 - 4 **Leased Assets Adjustments** - The Company has expensed out carrying cost of value of land taken on lease to the revenue as per the requirement of Ind AS.
 - 5 **Other Adjustments** - To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Act.
- 41 The previous year figures were audited jointly by two other firm of Chartered Accountants.
- 42 Previous year figures have been regrouped and / or reclassified wherever necessary.

Signatures to the Notes 1 to 42 forming part of the **Consolidated Balance Sheet as at 31.03.2018** and the **Consolidated Statement of Profit & Loss Account for the year ended 31.03.2018**

As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Regn. No. 101048W

Atul Mehta
Partner
Membership No. 015935
Mumbai, Dated : 29.05.2018

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)

Additional information as required by Schedule III to the Companies Act, 2013

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

Rupees in Lakh

Name of the Enterprise	Net Assets i.e Total Assets minus Total Liabilities		Share of Profit or Loss		Share on Other Comprehensive Income		Share on Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
<u>PARENT</u>								
Karma Energy Ltd	90.33%	7,369.06	82.37%	1,864.20	78.83%	1,976.44	87.28%	1,864.20
<u>SUBSIDIARIES</u>								
Batot Hydro Power Ltd	11.25%	917.54	-11.61%	(262.79)	-0.01%	(0.18)	-12.30%	(262.79)
Brahmanvel Energy Ltd	0.13%	10.22	-0.01%	(0.26)	0.00%	0.00	-0.01%	(0.26)
Greenweiz Projects Ltd	19.40%	1,582.58	18.08%	409.09	16.19%	405.97	19.15%	409.09
Khandesh Energy Projects Ltd	0.07%	5.52	-0.01%	(0.25)	0.00%	0.00	-0.01%	(0.25)
Vajharpada Energy Ltd	0.01%	1.12	-0.01%	(0.27)	0.00%	0.00	-0.01%	(0.27)
<u>ASSOCIATES</u>								
Weizmann Corporate Services Ltd	1.91%	155.45	0.05%	1.22	15.78%	395.68	18.35%	391.93
Baledh Energy Projects Ltd	2.27%	185.05	-0.01%	(0.13)	-0.01%	(0.35)	-0.02%	(0.35)
Non Controlling Interest	4.80%	391.84	-5.62%	(127.20)	0.00%	-	0.00%	-
Inter Company Adjustments	-30.16%	(2,460.16)	16.77%	379.48	-10.78%	(270.23)	-12.43%	(265.41)
Total	100.00%	8,158.22	100.00%	2,263.09	100.00%	2,507.33	100.00%	2,135.89

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 Rupees in Lakh)

Sr No.	Name of the Subsidiary	Batot Hydro Power Ltd	Brahmanvel Energy Ltd	Greenweiz Projects Ltd	Khandesh Energy Projects Ltd	Vajharpada Energy Ltd
1	Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	No	No	No	No	No
2	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
3	Share Capital	3,500.00	5.00	495.00	5.00	5.00
4	Reserves & Surplus	(2,455.51)	5.35	1,087.58	0.64	(3.88)
5	Total Assets	3,687.74	190.39	1,791.70	95.63	32.15
6	Total Liabilities	3,687.74	190.39	1,791.71	95.63	32.15
7	Investments	-	-	1,425.80	-	-
8	Turnover	556.02	-	178.14	-	-
8	Profit before Taxation	(54.87)	(0.26)	2.72	(0.25)	(0.27)
10	Provision for Taxation	207.74	-	(0.40)	-	-
11	Profit after Taxation	(262.61)	(0.26)	3.12	(0.25)	(0.27)
12	Proposed Dividend	-	-	-	-	-
13	% 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:

- Names of Subsidiaries which are yet to commence operations Nil
- Names of Subsidiaries which have been liquidated or sold during the year Nil

Part "B" : Associates

Sr No.	Name of the Associates	Weizmann Corporate Services Ltd	Baledh Energy Projects Ltd
1	Latest Audited Balance Sheet Date	31.03.2018	31.03.2018
2	Shares of Associate held by the Company on the year end		
	No of Shares	15960	17648
	Amount of Investment in Associates	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 is not consolidated	Not Applicable	Not Applicable
5	Networth attributable to Shareholding as per latest Audited Balance Sheet	194.91	(0.40)
6	Profit / (Loss) for the year		
	a) Considered in Consolidation	1.22	(0.13)
	b) Not Considered in Consolidation	3.82	(0.36)

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

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

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):		E-mail id:	
Registered address :		Folio No./Client Id*	
		DP ID*:	

*Applicable to shareholders holding shares in electronic form.

I/We being the members of _____ equity shares of Rs.10/- each of Karma Energy Limited, hereby appoint :

1. _____ of _____ having e-mail id _____ or failing him
2. _____ of _____ having e-mail id _____ or failing him
3. _____ of _____ having e-mail id _____ or failing him

and whose signature(s) are appended below as my / our proxy to attend and vote (on poll) for me/s and on my/our behalf at the 11th Annual General Meeting of the Company, to be held on the 07th day of August, 2018 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, 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, 2018.		
2.	Re-appointment of Shri Chetan D. Mehra as Director, who retires by Rotation		
3.	Re-appointment of Smt Smita V. Davda as Independent Director of the Company		
4.	Re-appointment of Shri Ganesh N. Kamath as Managing Director		

Signed this _____ day of _____ 2018

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. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 11th Annual General Meeting.
3. It is optional to indicate your preference. If you leave the 'For' or 'Against' column Blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate



(CIN :L31101MH2007PLC168823)

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214, Dr. D. N. Road,
Ent. A.K. Nayak Marg,
Fort, Mumbai – 400 001