



**6th Annual Report  
2012-2013**

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**ANNUAL REPORT 2012 - 2013**
**BOARD OF DIRECTORS**

Shri Dharmendra G. Siraj	-	Chairman
Shri Chetan D. Mehra		
Shri Neelkamal V. Siraj		
Shri Upkar Singh Kohli		
Shri Vinesh N. Davda		
Shri Kishore N. Vussonji		
Shri Vishnu P. Kamath		
Shri Ganesh N. Kamath	-	Managing Director
Shri T V Subramanian	-	Head Finance and Company Secretary

**BANKERS**

Axis Bank Ltd  
State Bank of India  
Uco Bank

**AUDITORS**

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

**REGISTERED OFFICE**

Empire House, 214, Dr. D.N. Road,  
Ent. A.K.Nayak Marg, Fort  
Mumbai - 400 001.  
Tel Nos. 22071501-06, Fax : 22071514  
Email investorshelpdesk@weizmann.co.in  
Website : karmaenergy.co

**WIND POWER PLANTS**

Anantapur	-	Andhra Pradesh
Coimbatore	-	Tamil Nadu
Satara	-	Maharashtra
Tirunelveli	-	Tamil Nadu
Theni	-	Tamil Nadu

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**6<sup>th</sup> ANNUAL GENERAL MEETING OF  
KARMA ENERGY LTD.,**

**Monday, 29th July 2013 at 2.00 p.m.**

**at**

Maharashtra Chamber of Commerce,  
Oricon House, 6th Floor,  
Maharashtra Chamber of Commerce Path, Kalaghoda,  
Fort, Mumbai – 400 001

**REGISTRAR AND SHARE TRANSFER AGENT**

Bigshare Services Pvt. Ltd.,  
E-2/3 Ansa Industrial Estate.  
Saki Vihar Road, Saki Naka,  
Andheri (E) Mumbai - 400 071  
Tel. No. 40430200 Fax No. 28475207  
email : info@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 6th Annual General Meeting of the Members of KARMA ENERGY LIMITED will be held on Monday, 29th July, 2013 at 2.00 p.m at Maharashtra Chamber of Commerce, Oricon House, 6th Floor, Maharashtra Chamber of Commerce path, Kalaghoda, Mumbai – 400 001 to transact the following business :

### ORDINARY BUSINESS

- To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2013 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
- To declare dividend on Equity Shares
- To appoint a Director in place of Shri Vishnu P. Kamath, who retires by rotation and, being eligible, offers himself for re- appointment.
- To appoint a Director in place of Shri Vinesh N. Davda, who retires by rotation and, being eligible, offers himself for re-appointment.
- To appoint a Director in place of Shri Kishore N. Vussonji, who retires by rotation and, being eligible, offers himself for re-appointment.
- To appoint Messrs. U. B. Sura & Co., Chartered Accountants and Messrs. Shyam C. Agrawal & Co., Chartered Accountants, the retiring Auditors of the Company, as Joint Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board

Place : Mumbai  
Date : 30th May 2013

**T. V. Subramanian**  
**Head - Finance & Company Secretary**

### NOTES :

- 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.
- The Register of Members and Share Transfer Books of the Company will be closed from July 25, 2013 to July 26, 2013 (both days inclusive) for the purpose of payment of dividend. In respect of shares held in electronic form, the dividend will be paid on the basis of ownership as per the details furnished by the Depositories for the purpose.
- Dividend on equity shares will be payable to those members whose names appear on the Company's Register of Members on July 24, 2013.
- 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.
- Information on Directors recommended for re-appointment at the Annual General Meeting in terms of Clause 49 of the Listing Agreement is enclosed.
- The ministry of Corporate Affairs has vide Circular Nos. 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011, respectively, undertaken a 'Green initiative in Corporate Governance' and allowed companies to share documents with its shareholders through electronic mode. Members are requested to support this green initiative by registering / updating their email addresses, in respect of shares held in dematerialized form with their respective depository participants and in respect of shares held in physical form, with Bigshare Services Private Ltd, the Company's Registrar and Share Transfer Agent.
- Copies of Balance Sheet including Profit and Loss Account, Schedules and Notes to Accounts along with the Auditors' Report thereon is available for inspection at the registered office of the Company during working hours for a period of twenty-one days before the date of Annual General Meeting.

### Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (In pursuance of Clause 49 IV(G) of the Listing Agreement)

Name of Director	Shri Vishnu P. Kamath	Shri Vinesh N. Davda	Shri Kishore N. Vussonji
Date of Birth	24.06.1934	22.05.1955	18.09.1946
Date of Appointment	01.12.2010	04.03.2011	04.03.2011
Qualifications	Graduate in Commerce, CAIIB	Graduate in Commerce	Graduate in Science and Law
Expertise in specific functional areas	52 years of Experience in Banking and Finance	32 years of experience in Warehousing and Data Storage Management	42 years experience in Law and specialist in Conveyance and Litigation
Shareholding in the Company as on 30th May 2013	Nil	207366 Equity shares of Rs.10/- each	Nil
List of other public limited companies in which directorship held as on 30th May, 2013	Avinaya Resources Ltd Batot Hydro Power Ltd Bharati Shipyard Ltd Greenweiz Projects Ltd Joiner Hydro Power Projects Ltd Supportive Insurance Broking Ltd Tapi Energy Projects Ltd Weizmann Ltd Weizmann Forex Ltd	Batot Hydro Power Ltd Great Offshore Ltd Purvaja Projects Ltd Weizmann Corporate Services Ltd	Comfund Consulting Ltd Krishna Ventures Ltd Sunteck Realty Ltd Weizmann Forex Ltd
Chairman / Member of the Committees of the Board across all public companies of which he is a Director as on 30th May, 2013	<b>Audit Committee :</b> Bharati Shipyard Ltd Batot Hydro Power Ltd Karma Energy Ltd Tapi Energy Projects Ltd Weizmann Ltd Weizmann Forex Ltd  <b>Investors Grievance Committee</b>  Karma Energy Ltd Weizmann Ltd Weizmann Forex Ltd	<b>Audit Committee :</b> Great Offshore Ltd Karma Energy Ltd Weizmann Ltd  <b>Investors Grievance Committee :</b>  Great Offshore Ltd Karma Energy Ltd Weizmann Ltd	<b>Audit Committee :</b> Weizmann Forex Ltd  <b>Investors Grievance Committee :</b> Weizmann Forex Ltd
Relationships between Directors inter se	Nil	Nil	Nil

### DIRECTORS' REPORT

#### TO THE MEMBERS OF KARMA ENERGY LIMITED

The Directors are pleased to present this Sixth Annual Report and the Audited Statement of Accounts for the year ended March 31, 2013.

#### 1. FINANCIAL RESULTS

(Rs. in lakh)

Particulars	2012-2013	2011-2012
Total Income including exceptional items	3182.95	2982.78
Profit Before Depreciation	1157.53	1188.86
Less : Depreciation	781.93	793.44
Profit Before Tax	375.60	395.42
Less : Income Tax	311.00	160.91
Less : Deferred Tax	(181.27)	(0.38)
Profit After Tax	245.87	234.89
Add : Balance brought forward from previous year	111.53	11.81
Additions on amalgamation	--	(67.98)
Balance Available for appropriation	357.40	178.72

Director's Recommendation for Appropriation :		
Transfer to General Reserve	--	--
Proposed Dividend on Equity Shares @ 5% (2011-2012: 5%)	57.82	57.82
Dividend Tax	9.38	9.38
Surplus Carried to Balance Sheet	290.21	111.52

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

#### 2. DIVIDEND

Your Directors have recommended a dividend at 5% (Re.0.50 per share) on equity shares (Previous year : 5 % ). The dividend, together with the tax on distributed profit, will absorb a sum of Rs.67.20 Lakh and will be paid to those shareholders whose names stand registered in the Register of members of the Company as on the book closure date.

#### 3. PERFORMANCE

During the year the Total Income of the Company was Rs.3182.95 Lakh as compared to Rs.2982.78 Lakh in the previous year. The Profit before depreciation achieved was Rs.1157.53 Lakh (Previous year - Rs.1188.86 Lakh). The Profit after Tax registered was Rs.245.87 Lakh (Previous year Rs.234.89 Lakh).

Generation from all its wind power plants from different states have been higher than the previous year by about 15.8% principally contributed by the benefit of full year generation of 3.6 MW wind power plant in Aranmanaikadu, Theni District, wherein in 2011-12 apart from frequent grid problem of the Tamil Nadu utility, a new transmission line to the substation could be completed by July 2011 i.e. well into the high wind season and of course this year the availability of wind was also on a higher side. Wind pattern is generally cyclic with high and low wind seasons alternating. The value of realization of power generation has also been good except in Andhra Pradesh where the company has a 7.5 MW, wherein on a tariff revision petition filed by State Distribution Licensee APCPDCL the Hon'ble State Regulatory Commission APERC has issued an interim order fixing that tariff at Rs.1.69 per unit against the normal tariff of Rs.3.37 per unit. As some more renewable energy generators have been affected, Appellate Tribunal of Electricity has been approached by few

developers praying for setting aside the interim order, directing the Utility to make payment at Rs.3.37 per unit, directing APERC to expedite disposal of the long pending appeal. The company has provided for the difference in tariff for the period for which APCPDCL has paid the value for generation at Rs.1.69 only and the same is reflected as Exceptional Items.

The removal of accelerated depreciation for wind mills coupled with suspension of generation based incentives had a dampening effect in new investments in wind energy sector. The Central Government in Budget 2013-14 has reintroduced "generation based incentive" for wind energy projects and has allocated Rs.800 crore to the Ministry of Non Renewable Energy for this purpose. However detailed operational guidelines are awaited.

#### 4. SUBSIDIARY COMPANIES

Your company has 8 subsidiary companies namely Almi Hydro-Electric Projects Ltd, Baledh Energy Projects Ltd, Batot Hydro Power Ltd, Brahmanvel Energy Ltd, Greenweiz Projects Ltd, Joiner Hydro Power Projects Ltd, Khandesh Energy Projects Ltd and Vajharpada Energy Ltd. All subsidiary companies are SPV's executing power projects which are in different stages of development except Greenweiz Projects Limited is in the business of carrying out operation & maintenance of wind farms. Batot Hydro Power Ltd commissioned its 3.5 MW small hydro power project in June, 2012. However, specifically with respect to Batot Hydro Power, post commissioning in June 2012 there was an unprecedented floods not occurred in 100 years, in August 2012 damaging many a civil work and machineries. The restoration work is in progress and is expected the plant would restart in July 2013. Consequent to such adverse effect there could not be any income generation from August 2012. However since the expenses like depreciation, finance cost, admin expenses are fixed cost, the net operation of the said subsidiary resulted in a net loss post tax of Rs.411.59 lakh. Consequently the loss as per consolidated accounts post tax is Rs.241.68 lakh against profit of Rs.42.72 lakh in the previous year.

In accordance with the Circular No. 5/12/2007-CL-III dated 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India has granted general exemption from attaching the Balance Sheet, Statement of Profit and Loss Account and other documents of the subsidiary companies with the Balance Sheet of the Company. However the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered office of the Company and that of the respective subsidiary companies. The Consolidated Financial statements presented by the company include the financial results of its subsidiary companies.

The statement pursuant to Section 212 of the Companies Act, 1956 containing the details of the Company's subsidiaries as at 31st March, 2013, is attached to the Annual Accounts.

#### 5. DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Shri. V P Kamath, Shri. Vinesh Davda and Shri. Kishore Vussonji retire by rotation and, being eligible have offered themselves for re-appointment.

#### 6. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors confirm:

- that in the preparation of the annual accounts for the year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and

prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the year ended on that date ;

- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities; and
- iv) that the Directors have prepared the annual accounts on a going concern basis.

### 7. PARTICULARS OF THE EMPLOYEES

In terms of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. Having regard to the provisions of Section 219(1)(b) (iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

### 8. DISCLOSURE OF PARTICULARS

Pursuant to Section 217(1) (e) of the Companies Act, 1956 read with Companies Disclosure of particulars in the report of the Board of Directors) Rules, 1988 has to Report on the matters covered by this section.

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 Rs.90.78 lakh and NIL respectively during the year.

### 9. FIXED DEPOSITS

Your Company has not accepted any Fixed Deposits within the meaning of Section 58A of the Companies Act, 1956.

### 10. AUDITORS

Messrs. U.B. Sura & Co. Chartered Accountants and Messrs. Shyam C. Agrawal & Co., Chartered Accountants, Statutory Auditors of the Company retire as Auditors at the forthcoming Annual General Meeting and have given their consent for re-appointment. The members will be required to appoint Auditors for the current year and fix their remuneration.

As required under the provisions of Section 224 of the Companies Act, 1956, the Company has obtained a written confirmation from the above Auditors proposed to be re-appointed to the effect that their re-appointment, if made at the ensuing Annual General Meeting will be within the limits specified in Section 224(1B) of the Companies Act, 1956.

### 11. COST AUDIT

As per Order of the Ministry of Corporate Affairs, dated 2nd May 2011, and pursuant to Section 233 B of the Companies Act, 1956, Company is required to get Cost records audited by a practicing Cost Accountant under Cost Accounting records (Electricity Industry) Rules, 2011. The company is required to appoint Cost Auditor within 90 days of the beginning of the Financial Year. Accordingly the Board for Financial Year 2013-14 has appointed Mr. S C Mawalankar & Associates, a Practicing Cost Accountant firm as Cost Auditor subject to the approval of the Central Government. For Financial Year 2012-13 the company had appointed Mr. K N Satyanarayan, a Practicing Cost Accountant as Cost Auditor.

### 12. AUDITORS' REPORT

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

### 13. 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. A certificate from the Statutory Auditors of the Company confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

### 14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the Listing Agreement with the Stock Exchanges is annexed forming part of this report.

### 15. 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 : 30th May, 2013

**D G Siraj**  
Chairman

## REPORT ON CORPORATE GOVERNANCE

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

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

### 2. Board of Directors

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

The Company is being managed by the Managing Director under the supervision of the Board of Directors ('the Board'). The 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-half 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, 2013 were as under.

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

All the 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 2012-2013 the Board held four meetings on May 15, 2012, August 13, 2012, November 09, 2012 and February 11, 2013

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

#### III. Attendance of Directors

Attendance of Directors at the Board Meetings held during 2012-2013 and the last AGM held on September 26, 2012

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	4	3	Yes	14	4
Shri C D Mehra	4	2	Yes	11	1
Shri N V Siraj	4	3	Yes	6	-
Shri V P Kamath	4	3	Yes	9	7
Shri G N Kamath	4	4	Yes	13	1

Shri Upkarsingh Kohli	4	1	No	2	1
Shri K N. Vussonji	4	2	Yes	4	2
Shri V. N. Davda	4	3	Yes	4	2

A sitting fee of Rs.2000/- per meeting is paid to Directors (except Managing Director) for attending the Board Meeting.

# (excluding private limited, foreign company and section 25 company)

Shri Dharmendra G. Siraj is related to Shri Chetan Mehra.

None of the Directors holds directorship in more than 15 public limited companies.

No director holds membership of more than 10 committee of board nor is any director chairman of more than 5 committee's of boards.

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

Sr. No.	Name of Directors	No. of shares held as on 31st March, 2013
1.	Shri Dharmendra G. Siraj	11,12,060
2.	Shri Chetan D. Mehra	14,64,011
3.	Shri Neelkamal V. Siraj	Nil
4.	Shri Vishnu P. Kamath	Nil
5.	Shri Kishore M. Vussonji	Nil
6.	Shri Upkar Singh Kohli	Nil
7.	Shri Vinesh N. Davda	2,07,366

### 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 liaison 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 Clause 49 of the Listing Agreement read in conjunction with Section 292A of the Companies Act, 1956. The Audit Committee presently comprises of Shri Vishnu P. Kamath as the Chairman, Shri Dharmendra G. Siraj and Shri Vinesh N. Davda as members of the Committee. The Managing Director and Auditors are invited to attend the meetings of the Audit Committee. The Audit committee discharges such duties and functions indicated in Clause 49 of the Listing Agreement with the stock exchanges 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 15, 2012, August 04, 2012, November 09, 2012 and February 11, 2013.

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 2012-13	
		held	Attended
Shri V. P. Kamath	Non-Executive Independent	4	4
Shri D G. Siraj	Non-Executive	4	3
Shri V. N. Davda	Non-Executive Independent	4	4

### 4. Remuneration Committee

The Company has one Executive Director on the Board, whose appointment and remuneration is fixed by the Board of Directors and in terms of the resolution passed by the members.

In view of above, the Company does not have a Remuneration Committee. The Board of Directors determines the remuneration of the Executive Director. During the year, the Company paid sitting fees of Rs.2,000/- per meeting to the



Non-Executive Directors for attending meetings of the Board of Directors  
No significant / material transactions have been made with the Non-Executive Directors vis-à-vis the Company.

The details of remuneration paid to Managing Director from 1st April, 2012 to 31st March, 2013 is given below.

Rs. in Lakh				
Name of the Managing Director	Salary	Commission	Perquisites and Allowances	Retiral Benefits *
Ganesh N. Kamath	12.00	-	3.84	1.44

Notes : The agreement with Managing Director is for a period of 3 years from 1st December, 2010.

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

### 5. Shareholders / Investors' Grievance Committee

The Company has constituted Investors Grievance Committee in accordance with the requirements of Clause 49 of the Listing Agreement. The Shareholders / Investors Grievance Committee comprise of Shri Vishnu P. Kamath as the Chairman and Shri Dharmendra G. Siraj and Shri Vinesh N. Davda as members of the Committee. The said Committee looks into redressing investors' complaints pertaining to transfer / transmission of shares, non-receipt of dividend / annual report of the Company. The Committee met twice during the financial year on 04th August, 2012 and 11th February, 2013 respectively. Shri T. V. Surbramian, Company Secretary acts as the Company's Compliance Officer.

The composition of the investors grievance committee and the details of the meetings attended by its members are given below :

Name	Category	Number of Meetings during the year 2012-13	
		held	Attended
Shri V. P. Kamath	Non-Executive Independent	2	2
Shri D. G. Siraj	Non-Executive	2	2
Shri V. N. Davda	Non-Executive Independent	2	2

Number of shareholders complaints received during the year was 5. All the 5 complaints received during the financial year were resolved to the satisfaction of the investors. There were no complaints pending to be resolved as on 31st March, 2013.

### 6. Sub- Committee of Board of Directors

Composition:

Shri D. G. Siraj, Chairman  
Shri C. D. Mehra  
Shri G. N. Kamath, Managing Director

The sub-committee normally deals with the following matters :

- Transfer / Transmission / Transposition of shares, issue of duplicate share certificate, consolidation of shares / subdivision of shares.
- Review of Dematerialization of shares.
- Normal day to day matters & all other matters as prescribed and delegated to the sub-committee by the Board of Directors from time to time. The minutes of the sub-committee meetings are noted and ratified at every ensuing meeting of the Board of Directors of the Company. The sub-committee meeting is held on each Friday of the week since November, 2013. 33 sub-committee meetings were held during the financial year ended 31st March, 2013.

### 7. General Body Meetings

Details of the last three Annual General Meetings (AGMs)

Date & Year	Time	Location where AGM held in the last 3 years.
26/09/2012; 2011-2012	2.30 p.m	Textile Committee Auditorium P. Balu Road, Off. Veer Savarkar Marg, Prabhadevi, Mumbai – 25

Date & Year	Time	Location where AGM held in the last 3 years.
30/09/2011; 2010-2011	3.30 p.m	M C Ghia Hall 4th Floor, Hargovindas Bldg, 18/20, K. Dubash Marg, Kala Ghoda Mumbai – 400 001
30/09/2010; 2009-2010	11.45 a.m.	Empire House, 214, Dr. D. N. Road, Ent. A. K. Nayak Marg Fort, Mumbai- 400 001.

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

### 8. Disclosures

#### Basis of Related party transactions

Related party transactions as required to be complied under Accounting Standard 18 (AS-18) are furnished under Note no 23 serial no.10 of the Notes to Accounts attached to the annual accounts of 31/3/2013.

#### 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

#### Risk Management

Risk evaluation and management is an ongoing process within the organization. Your company has a risk management policy and it is periodically reviewed by the Board of Directors.

#### Shareholders

The Company has provided the details of Directors seeking appointment / re-appointment in the notice of Annual General Meeting provided with the Annual Report. Quarterly presentations on the Company results are available on the website of the Company [www.karmaenergy.co](http://www.karmaenergy.co)

### 9. Code of Conduct

The Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company [www.karmaenergy.co](http://www.karmaenergy.co). 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 Clause 49 of the listing Agreement.

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, 2013.

Date : 30th May, 2013  
Mumbai

Sd/-  
**Ganesh N. Kamath**  
Managing Director

### 10. 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.

### 11. Subsidiary Companies

Batot Hydro Power Ltd is a material non-listed Indian Subsidiary company in terms of Clause 49(III) of the listing Agreement. Shri Vinesh N. Davda and Shri Vishnu P. Kamath – Independent Directors are directors on the board of Batot Hydro Power Ltd.

### 12. Means of Communication

Half yearly report sent to each household of Shareholders  
Quarterly results usually published in (Proposed)

No  
Business Standard  
(English daily)

Tarun Bharat - (Marathi daily)  
Any website where displayed - www.karmaenergy.co  
www.bseindia.com  
www.nseindia.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

### 13. General Shareholder Information

#### a) 6th Annual General Meeting - Day, Date, Time and Venue

Day	Date	Time	Venue
Monday	29/07/2013	2.00 p.m	Maharashtra Chamber of Commerce Oricon House, 6th Floor, Maharashtra Chamber of Commerce path, Kalaghoda, Mumbai - 400 001.

#### b) Financial Calendar

Financial Year	: 1st April, 2013 to 31st March 2014
Adoption of Quarterly Results for the quarter ending June, 2013	: on or before 14th August, 2013
September, 2013	: on or before 14th November, 2013
December, 2013	: on or before 14th February 2014
March, 2014	: on or before 30th May, 2014
Book Closure Date	: 25/07/2013 to 26/07/2013 (Both days inclusive)
Dividend Payment	: On or before 10/08/2013

#### 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		INDEX-SENSEX	
	High (Rs.)	Low (Rs.)	High	Low
April, 2012	15.59	12.65	17664.10	17010.16
May, 2012	14.97	11.10	17432.33	15809.71
June, 2012	12.44	9.73	17448.48	15748.98
July, 2012	12.23	9.37	17631.19	16598.48
August, 2012	11.68	9.83	17972.54	17026.97
September, 2012	11.67	10.15	18869.94	17250.80
October, 2012	12.86	11.20	19137.29	18393.42
November, 2012	15.75	11.80	19372.70	18255.69
December, 2012	17.50	14.10	19612.18	19149.03
January, 2013	18.75	13.63	20203.66	19508.93
February, 2013	15.95	13.00	19966.69	18793.97
March, 2013	15.55	11.70	19754.66	18568.43

Month	NSE		INDEX-CNX MID CAP	
	High (Rs.)	Low (Rs.)	High	Low
April, 2012	13.50	10.55	7850.25	7333.45
May, 2012	14.05	11.50	7524.40	6787.10
June, 2012	12.50	10.10	7361.45	6672.50
July, 2012	12.25	10.35	7573.75	7001.20
August, 2012	11.60	10.45	7344.50	6996.90
September, 2012	12.05	10.15	7875.40	7065.10
October, 2012	12.25	11.05	8069.10	7658.95

Month	NSE		INDEX-CNX MID CAP	
	High	Low	High	Low
November, 2012	15.30	11.40	8157.95	7683.85
December, 2012	17.25	13.85	8509.80	8141.30
January, 2013	18.10	13.80	8859.40	8190.00
February, 2013	16.00	13.00	8416.40	7680.55
March, 2013	14.95	9.80	7886.95	7247.20

**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 : 28470652,  
Fax : 28475207  
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. 1,06,80,396 Equity Shares representing 92.31 % of the share capital of the Company stands dematerialised as on 31st March, 2013. The Shares of the Company are included under B group at the Bombay Stock Exchange Ltd. The shares are also traded at National Stock Exchange of India Ltd.

#### i) Shareholding Pattern as on 31st March 2013 :

Sr. No	Category	No. of Equity Shares	Percentage of Shareholding
A	Promoters Holding		
	Indian Promoters	8633002	74.62
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	Fils	Nil	Nil
C	Others		
a.	Private Corporate Bodies	136178	1.18
b.	Indian Public	2687618	23.23
c.	NRIs/OCBs	112361	0.97
d.	Any other (Demat Transit)	560	0.00
	<b>GRAND TOTAL</b>	<b>11569918</b>	<b>100.00</b>

#### j) Distribution of Shareholding as on 31st March 2013 :

Range (In Rs)	Total holders	Total holdings in Rupees
1 - 5000	8356	8672250
5001-10000	304	2082200
10001 - 20000	139	1864090
20001 - 30000	31	776150
30001 - 40000	21	731060
40001 - 50000	10	445430
50001 - 100000	26	1877500
100001 - 999999999	48	99250500
<b>Total</b>	<b>8935</b>	<b>115699180</b>



<b>k) Outstanding GDR's / ADR's / Warrants or any Convertible instruments, conversion date and Likely impact on equity</b>	- Not Applicable	<b>Registrar &amp; Share Transfer Agent</b>	- Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri ( East), Mumbai - 400 072. Tel : 40430200, Fax, 28475207 Email : info@bigshareonline.com, Website : www.bigshareonline.com
<b>l) Wind Power Plant Location</b>	- Anantpur - Andhra Pradesh Coimbatore - Tamil Nadu Satara - Maharashtra Tirunelveli - Tamil Nadu Theni - Tamil Nadu	<b>n) Dedicated email id for investor complaints</b>	- investorshelpdesk@weizmann.co.in
<b>m) Address for Correspondence</b>	- <b>Regd. Office of the Company</b> 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		

### COMPLIANCE CERTIFICATE

**TO THE MEMBERS OF  
KARMA ENERGY LIMITED**

We have examined the compliance of conditions of Corporate Governance by Karma Energy Limited for the year ended March 31, 2013, as stipulated in clause 49 of Listing Agreement of the said company with Stock Exchanges, with relevant records and documents maintained by the Company and furnished to us.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above - mentioned Listing Agreement.

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

**For U. B. Sura & Co.,  
Chartered Accountants  
FRN 110620W**

**For Shyam C. Agrawal & Co.,  
Chartered Accountants  
FRN 110243W**

**U. B. Sura  
Proprietor  
Membership No: 32026**

**Shyam C. Agrawal  
Proprietor  
Membership No: 31774**

**Place : Mumbai  
Dated : 30.05.2013**

## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

### BUSINESS REVIEW

#### General Economy

In line with global economic activities remaining subdued, the growth in Indian economy has shown decelerating trend in many critical fronts. The industrial production was low at 0.9% as against 3.5% in the previous year. The protracted slow down in industrial activity was aggravated by domestic supply bottlenecks and even slow down in services sector which was hitherto growing at a greater pace. The electricity industry also reflected the gloomy environment in general economy. Many a public sector utilities in different states continue to face acute financial crisis necessitating specific aid from Central Government and State Governments and even extending sovereign guarantee to the Lenders.

The removal of accelerated depreciation for wind mills coupled with suspension of generation based incentives had a dampening effect in new investments in wind energy sector. The Central Government in Budget 2013-14 has reintroduced "generation based incentive" for wind energy projects and has allocated Rs.800 crore to the Ministry of Non Renewable Energy for this purpose. However detailed operational guidelines are awaited.

#### Company Business

The focus of the company is in the business areas of power generation from renewable energy sources primary wind and through subsidiary companies which are Special Purpose Companies (SPCs) in both wind and small hydro. The company invests in projects directly or invests in equities of SPCs who are in the business of development of renewable energy projects.

The aggregate capacity of the installed wind farms is about 33.75 MW as at 31.03.2013.

The Financial Year 2012-2013 recorded a total income of Rs.3182.96 lakh (P.Y. Rs.2982.78 Lakh); Cash Profits Rs.1157.53 lakh (P.Y. Rs.1188.86 Lakh); PBT of Rs.375.60 lakh (P.Y. Rs.395.42 Lakh); and PAT of Rs.245.87 lakh (P.Y. Rs.234.89 Lakh).

A 3.5 MW Small Hydro Project at Chamba, Himachal Pradesh of the subsidiary company Batot Hydro Power Limited was commissioned on 16th June 2012. However, immediately after commissioning in August 2012 there were unprecedented floods not seen in the last 100 years which partially damaged the civil work and certain machineries. The restoration work is in progress and re-commissioning expected in July 2013. The entire project is adequately insured.

### OUTLOOK, OPPORTUNITIES AND THREATS

The growth of renewable energy development in India over the past decade has been quite significant. The country's aim is to achieve minimum 15% generation from renewable energy sources contributing to the total generation from all sources by 2020. In line with this objective the Central Government, State Government, the Nodal Agencies, The Electricity Regulatory Commissions have been laying down Policies and Regulations for achieving the said growth. However, the removal of accelerated depreciation w.e.f. 01.04.2012 in Income Tax and suspension of generation based incentive have slowed down the new installations.

It has been accepted world over in general and India in particular that the growth in renewable energy is a must to counter the depletion in fossil fuel, to have a pollution free environment to the public at large and the future generation, combat the Global Warming phenomenon which is creating one natural disaster or other in the form of extreme heat or cold, devastating floods, acute famine, etc. etc. i.e. the nature has been oscillating from one extreme to another.

As far as India is concerned, though there have been encouraging policies and guidelines from Government and other Regulatory authorities, the availability of good sites for setting up of wind farm has become scarce with most of the windy sites now falling under Forest Area wherein obtaining approval takes much longer time. It is a trade off between the need to safeguard the forest wealth and wild life on one side and at the same time create as many renewable energy projects as possible with much less damage to the forest or wild life for the benefit of the posterity.

A bigger impediment for development of renewable energy projects and basically for creating a confidence in the investors has been many a times irrational

implementation and interpretation of Rules and Regulations governing the renewable energy sector by the State Power Utilities. Many a states including Tamil Nadu where the company has number of wind farms have been delaying release of payments on account of financial crunch at their end, and overdues at times is even more than a year.

In Andhra Pradesh, though the utilities were very prompt in effecting remittances, having received the benefit of wind power for more than a decade, on the plea that the investors have already recovered their cost in the form of depreciation and have repaid their borrowings, have filed petition for reducing the tariff to more than 50% of the existing tariff of Rs.3.37 per unit and Hon'ble APERC too issuing an interim order fixing the rate at almost 50% of the normal rate have shaken the confidence of both the existing investors and also the potential investors. In Maharashtra too, there have been plethora of petitions before Hon'ble MERC and Hon'ble APTEL resulting in more time and cost expended in litigation rather than fruitfully investing in developing new wind farms.

As far as new projects are concerned especially in Karnataka there has been an issue of the entire West Coast belt being declared as heritage site and thus creating a blanket ban on harnessing wind power from potential sites on the west coast. In Gujarat where the Group has certain wind farm projects granted, evacuation of power has been the biggest issue.

Despite all the aforesaid obstacles, there is no alternative but to develop renewable energy as the said energy is for the future generation and a must for energy security of our country. Therefore every effort by the company as well as the agencies having interest of the future in mind are being channelized to create a friendly environment for developing more and more renewable energy projects especially wind and small hydel.

### RISKS AND CONCERNS

On Renewable Energy Sector, the proper implementation of the policies by the State Utilities as well as clear cut directions from State Electricity Regulatory Commissions have become a must considering the experience in the last couple of years in the states where your Company is having wind farms and the Group is developing wind farms and Small Hydro Projects.

The state utilities in Maharashtra, Andhra Pradesh and Tamil Nadu have been seen to create deterrent to the growth of renewable energy sector especially wind power by their conduct of misinterpretation of established rules and regulations, creating impediments in implementation of the orders of Electricity Regulatory Commissions, issuing circulars without any mandate and contrary to the orders and regulations of Electricity Regulatory Commissions necessitating much time to be spent in the courts rather than at the wind farm sites.

Good wind farm sites have become scarce with many a good sites now falling under forest area which calls for approvals from local population, grampanchayats, environmentalists, forest authorities, NGOs, etc. etc. and the same has become a process by itself resulting in inordinate delays before the physical setting up of the project could be initiated.

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.

## INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

TO THE MEMBERS OF  
KARMA ENERGY LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of KARMA ENERGY LIMITED, which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
3. In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
4. On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

FOR U.B.SURA & CO.,  
CHARTERED ACCOUNTANTS  
FRN 110620W

U.B.SURA  
PROPRIETOR  
MEMBERSHIP NO: 32026  
PLACE: MUMBAI  
DATED: 30.05.2013

FOR SHYAM C. AGRAWAL & CO.,  
CHARTERED ACCOUNTANTS  
FRN 110243W

SHYAM C. AGRAWAL  
PROPRIETOR  
MEMBERSHIP NO: 31774  
PLACE: MUMBAI  
DATED: 30.05.2013

### ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 of the Independent Auditors' Report of even date to the Shareholders of **KARMA ENERGY LIMITED** on the accounts for the year ended on March 31, 2013)

- (I) (a) In our opinion the Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets, according to practice of the Company, are physically verified by the management at reasonable intervals in the phased verification program, which is in our opinion reasonable having regard to the size of the company and nature of its business. According to the information and explanations given to us no material discrepancies have been noticed on such verification.
- (c) The company has not disposed off substantial part of fixed assets so as to affect its going concern
- (ii) The company does not carry any inventories under the current assets and therefore provisions of clause 4 (ii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (iii) (a) The Company has granted unsecured loans to two parties, the amount involved during the year was *Rs.620.21Lacs* and the year-end balance of loans granted to one of the party is *Rs.1.33Lac* covered in the register maintained under section 301 of the Act.
- (b) In our opinion, the rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the company.
- (c) In our opinion the recovery of principal amounts and interest during the year have generally been regular as per the stipulations of such loans.
- (d) The company has taken loans from *three* parties, the amount involved during the year was *Rs.3736.63Lacs* and the year-end balance of such loans taken from two of the parties is *Rs.641.63*, covered in the register maintained under section 301 of the Act.
- (e) In our opinion, the rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the company.
- (f) In our opinion the Company is regular in repayment of principal and payment of interest on the basis of stipulations of such loans.
- (g) There is no overdue amount of such loans taken from or granted to or from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us the internal control procedures commensurate with the size of the company and the nature of its business are generally adequate with regard to purchases of fixed assets and sale of power.
- (v) In respect of the transactions that need to be entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956:
  - (a) To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
  - (b) According to the information and explanations provided to us, where each of such transactions (excluding loans reported under paragraph (iii) above) in excess of the value of *Rs.5.00Lacs* in respect of any such party, the transaction have generally been made at the prices which are reasonable having regard to the prevailing market price.
- (vi) The company has not accepted deposits from the public as envisaged in the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- (vii) The company has an in-house Internal Audit system commensurate with the size and nature of its business.

- (viii) We have broadly reviewed the Books of Accounts maintained by the company in respect of Wind Power generation pursuant to the Rules made by the Central Government for the maintenance of cost records U/s.209(1)(d) of the Companies Act, 1956. In our opinion the company has maintained the prescribed cost records in respect of the said activities; however we have not made detailed examination of the said record.
- (ix) (a) As per the records produced before us the company was regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, investors protection fund, sales tax, custom duty, excise duty, cess and other material statutory dues applicable to it. As at the last date of the financial year there were no arrears of such undisputed statutory dues outstanding for a period of more than six months from the date they become payable.
- (b) On the basis of the books and records, there were no disputed statutory dues which were payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty, service tax, cess were in arrears as on March 31, 2013.
- (x) The company does not have accumulated loss at the end of the financial year. The company has not incurred cash loss during the current financial year and in the immediate preceding financial year.
- (xi) Based on our Audit procedures and according to information and explanations given by the Management, the company has not defaulted in repayment of dues to financial institutions / banks.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, clause 4 (xii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xiv) The company is not dealing in shares and securities. However the company has made investments in the shares and the said shares are being held in the name of the company.
- (xv) The company has not given guarantees for loans taken by others from banks and financial institutions.
- (xvi) Based on the information and explanations provided to us, the term loans were applied for the purpose for which the said loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered under section 301 of the Act. Accordingly clause 4 (xviii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xx) The company has not made any public issue of capital during the year under review. Accordingly clause 4(xx) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**FOR U.B.SURA & CO.,  
CHARTERED ACCOUNTANTS  
FRN 110620W**

**U.B.SURA  
PROPRIETOR  
MEMBERSHIP NO: 32026  
PLACE: MUMBAI  
DATED: 30.05.2013**

**FOR SHYAM C. AGRAWAL & CO.,  
CHARTERED ACCOUNTANTS  
FRN 110243W**

**SHYAM C. AGRAWAL  
PROPRIETOR  
MEMBERSHIP NO: 31774  
PLACE: MUMBAI  
DATED: 30.05.2013**

**Balance Sheet as at 31.03.2013**
**Rs. In Lac**

Particulars	Note No.	As At 31.03.2013	As At 31.03.2012
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	1,156.99	1,156.44
Share Capital - Suspense		-	0.56
Reserves and Surplus	2	3,374.61	3,195.92
Money received against share warrants		-	-
		<b>4,531.60</b>	<b>4,352.92</b>
<b>Share application money pending allotment</b>		-	-
<b>Non-Current Liabilities</b>			
Long term borrowings	3	5,379.96	6,158.46
Deferred tax liabilities (Net)		2,131.06	2,312.33
Other Long term Liabilities		-	-
Long term Provisions	4	32.22	76.81
		<b>7,543.24</b>	<b>8,547.60</b>
<b>Current Liabilities</b>			
Short-term borrowings	5	641.63	341.45
Trade payables	6	30.01	124.56
Other current liabilities	7	1,208.64	1,158.53
Short-term provisions	8	408.26	268.85
		<b>2,288.54</b>	<b>1,893.39</b>
<b>TOTAL</b>		<b>14,363.38</b>	<b>14,793.91</b>
<b>II ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets			
Tangible assets	9	6,745.56	7,527.06
Intangible assets		-	-
Capital work in-progress		15.14	5.98
Intangible assets under development		-	-
Fixed assets held for sale		-	-
Non-current investments	10	3,161.16	3,123.22
Deferred tax assets (net)		-	-
Long-term loans and advances	11	90.84	49.35
Other non-current assets	12	203.65	203.65
		<b>10,216.35</b>	<b>10,909.26</b>
<b>Current assets</b>			
Current investments		-	-
Inventories		-	-
Trade receivables	13	480.25	1,168.71
Cash and cash equivalents	14	342.42	175.16
Short-term loans and advances	15	3,323.56	2,160.27
Other current assets	16	0.80	380.51
		<b>4,147.04</b>	<b>3,884.65</b>
<b>TOTAL</b>		<b>14,363.38</b>	<b>14,793.91</b>

See accompanying notes to the financial statements

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As per our report of even date attached

For and on Behalf of the Board

For U. B. Sura &amp; Co.

For Shyam C. Agrawal &amp; Co.

Chartered Accountants

Chartered Accountants

D. G. Siraj  
(Chairman)

G. N. Kamath  
(Managing Director)

U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 30.05.2013

Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 30.05.2013

T.V.Subramanian  
(Head-Finance &  
Company Secretary)

**Statement of Profit & Loss for the year ended 31.03.2013**
**Rs. In Lakh**

Particulars	Note No.	Year Ended 31.03.2013	Year Ended 31.03.2012
I Revenue from Operations	17	3,013.60	2,535.63
II Other Income	18	296.63	447.15
<b>III Total Revenue (I + II)</b>		<b>3,310.23</b>	<b>2,982.78</b>
<b>IV Expenses</b>			
Cost of materials consumed		-	-
Purchases of stock-in-trade		-	-
Changes in inventories		-	-
Operating & Maintenance Cost	19	589.36	485.71
Employee benefits expense	20	239.57	169.59
Finance costs	21	1,004.57	943.58
Depreciation and amortization expense	9	781.93	793.44
Other expenses	22	191.93	195.04
<b>Total Expenses</b>		<b>2,807.35</b>	<b>2,587.36</b>
<b>V Profit / (Loss) before exceptional &amp; extraordinary items and tax (III - IV)</b>		<b>502.88</b>	<b>395.42</b>
VI Exceptional Items	23.3	127.28	-
<b>VII Profit / (Loss) before extraordinary items and tax (V - VI)</b>		<b>375.60</b>	<b>395.42</b>
VIII Extraordinary Items		-	-
<b>IX Profit / (Loss) before tax (VII - VIII)</b>		<b>375.60</b>	<b>395.42</b>
<b>X Tax Expense</b>			
(1) Current tax		311.00	175.00
(2) Deferred tax		(181.27)	(0.38)
(3) MAT Credit entitlement		-	(14.09)
<b>XI Profit / (Loss) for the year from continuing operations (IX - X)</b>		<b>245.87</b>	<b>234.89</b>
XII Profit / (Loss) from discontinuing operations		-	-
XIII Tax Expense of discontinuing operations		-	-
<b>XIV Profit / (Loss) from discontinuing operations (after tax) (XII - XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit / (Loss) for the year (XI + XIV)</b>		<b>245.87</b>	<b>234.89</b>
<b>XVI Earnings per equity share:</b>			
1. Basic		2.13	2.03
2. Diluted		2.13	2.03

**See accompanying notes to the financial statements**
**As per our report of even date attached**
**For U. B. Sura & Co.  
Chartered Accountants**
**For Shyam C. Agrawal & Co.  
Chartered Accountants**
**23**
**For and on Behalf of the Board**
**D. G. Siraj  
(Chairman)**
**G. N. Kamath  
(Managing Director)**
**U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 30.05.2013**
**Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 30.05.2013**
**T.V.Subramanian  
(Head-Finance &  
Company Secretary)**



**Cash Flow Statement for the year ended 31.03.2013**
**Rs. In Lakh**

Particulars	Year Ended		Year Ended	
	31.03.2013		31.03.2012	
<b>Cash Flow from Operating Activities</b>				
Net Profit / (Loss) before extraordinary items and tax		<b>375.60</b>		<b>395.42</b>
<u>Adjustments for:</u>				
Depreciation and Amortisation	781.93		793.44	
Miscellaneous Expenditure	-		0.01	
		781.93		793.45
<b>Operating profit / (loss) before working capital changes</b>		<b>1,157.53</b>		<b>1,188.87</b>
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets</u>				
Trade receivables	688.46		(12.23)	
Short-term loans and advances	(1,163.91)		(1,157.50)	
Long-term loans and advances	(41.49)		295.52	
Other current assets	378.32		(359.30)	
Other non-current assets	-		(1.66)	
Bank Deposits	(200.00)		142.45	
		(338.63)		(1,092.72)
		<b>818.90</b>		<b>96.15</b>
<u>Adjustments for increase / (decrease) in operating liabilities</u>				
Trade payables	(94.55)		31.43	
Other current liabilities	50.11		(722.82)	
Short-term provisions	3.91		2.83	
Long-term provisions	(44.58)		13.11	
		(85.11)		(675.44)
<b>Cash generated from operations</b>		<b>733.79</b>		<b>(579.29)</b>
Net Income Tax Paid / (Refund)		<b>(174.88)</b>		<b>(17.06)</b>
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>558.91</b>		<b>(596.35)</b>
<b>Investments in Fixed Assets</b>				
Capital Expenditure on Fixed Assets	(0.42)		(560.57)	
Capital Work In Progress	(9.16)		(3.81)	
Purchase of long-term investments				
- Joint ventures	(25.00)		(10.00)	
- Others	(12.94)		0.94	
		(47.53)		(573.44)
<b>Net cash flow from Investing activities (B)</b>		<b>511.38</b>		<b>(1,169.79)</b>
<b>Financing</b>				
Dividend Paid	(57.82)		(57.82)	
Tax on Dividend	(9.38)		(9.38)	
Increase / (Decrease) in Long Term Borrowings	(778.51)		2,849.19	
Increase / (Decrease) in Short Term Borrowings	300.18		(1,348.99)	
		(545.53)		1,433.00
<b>Net cash flow from Financing activities (C)</b>		<b>(34.14)</b>		<b>263.21</b>
<b>Total (A + B + C)</b>				
Cash and Cash Equivalent at the Beginning of the year	84.16		(184.76)	
Add on Amalgamation / De-merger	-		5.72	
	84.16		(179.04)	
Cash and Cash Equivalent at the End of the year	<b>50.03</b>	<b>(34.14)</b>	<b>84.16</b>	<b>263.21</b>
(a) Cash on Hand	-		0.14	
(b) Cheques on hand	-		-	
(b) Balances with banks	50.03		84.02	
in current accounts	<b>50.03</b>		<b>84.16</b>	

**As per our report of even date attached**
**For and on Behalf of the Board**
**For U. B. Sura & Co.  
Chartered Accountants**
**For Shyam C. Agrawal & Co.  
Chartered Accountants**
**D. G. Siraj  
(Chairman)**
**G. N. Kamath  
(Managing Director)**
**U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 30.05.2013**
**Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 30.05.2013**
**T.V.Subramanian  
(Head-Finance &  
Company Secretary)**

### Notes forming part of the Financial Statements

Particulars	As at 31.03.2013	As at 31.03.2012
<b>NOTE [1] - SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
1,80,00,000 Equity Shares of Rs.10/-each (Prev.Year 1,80,00,000 Equity Shares of Rs.10/- each)	<b>1,800.00</b>	<b>1,800.00</b>
<b>Issued, Subscribed &amp; Paid-up Share Capital</b>		
1,15,69,918 Equity Shares of Rs.10/- each fully Paid-up (Prev.Year 1,15,64,357 Equity Shares of Rs.10/- each)	1,156.99	1,156.44
<b>Total</b>	<b>1,156.99</b>	<b>1,156.44</b>
<b>NOTE [1.1]</b>		
<b>Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year</b>		
Equity Shares		
At the beginning of the Year	11564357	11564357
Issued during the Year	5,561	-
Outstanding at the end of the Year	<b>11569918</b>	<b>11564357</b>
	<b>1,156.99</b>	<b>1,156.44</b>
<b>NOTE [1.2]</b>		
<b>Terms / rights attached to equity shares</b>		
a. The Company has only one class of equity shares having a par value of Rs.10/- per share.		
b. Each holder of equity shares is entitled to one vote per share.		
c. The dividend on equity shares proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.		
d. 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		
e. The company has not issued any bonus shares or bought back the equity shares in the last 5 years immediately preceding the balance sheet date.		
f. The company in FY 2010-11 had issued 11514357 Equity Shares of face value of Rs.10/- each pursuant to composite scheme of arrangement u/s 391 to 394 of the Companies Act 1956, sanctioned by the Hon'ble High Court of Bombay on 29.10.2010, pursuant to which the power business undertaking of the de-merged Company Weizmann Ltd stood vested in the Company with effect from de-merger Appointed date 01.04.2010 and the Shares were issued in the proportion of 2 Equity Shares of face value of Rs.10/- each of the Company for every 3 Equity Shares held by the shareholders in the de-merged Company Weizmann Ltd.		
g. 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 Rs10/- each of the Company for every 18 equity shares of Rs10/- each held by the Equity shareholders in the Transferor company.		
<b>NOTE [1.3]</b>		
<b>Details of shares held by each shareholder holding more than 5% Equity shares of Rs.10/- fully paid up</b>		
Chetan D. Mehra	1464011	1464010
Dharmendra Siraj	1112060	1112060
Sitex India Private Limited	1220865	1220859
Windia Infrastructure Finance Limited	2180587	2180470
Purvaja Projects Limited	840000	840000

### Notes forming part of the Financial Statements

Particulars	As at 31.03.2013	As at 31.03.2012	
<b>NOTE [2] - RESERVES &amp; SURPLUS</b>			
<b><u>Capital Reserve</u></b>			
Opening Balance	9.45	-	
Additions : On Amagamation (refer note no. 23.2)	-	9.45	
Closing Balance	<b>9.45</b>	<b>9.45</b>	
<b><u>General Reserve</u></b>			
Opening Balance	3,074.95	3,074.95	
Closing Balance	<b>3,074.95</b>	<b>3,074.95</b>	
<b><u>Surplus / (Deficit) in the Statement of Profit &amp; Loss</u></b>			
Opening Balance	111.53	11.82	
Additions / (Deletions) : On Amagamation (refer note no. 23.2)	-	(67.98)	
Add : Profit / (Loss) for the Year	245.87	234.89	
<b><u>Allocations and appropriations</u></b>			
Proposed Dividend	57.82	57.82	
Dividend Distribution Tax	9.38	9.38	
Closing Balance	<b>290.21</b>	<b>111.53</b>	
<b>Total</b>	<b>3,374.61</b>	<b>3,195.92</b>	
<b>NOTE [3] - LONG TERM BORROWINGS</b>			
<b>Term Loans</b>			
<b><u>Secured</u></b>			
From Banks	5,379.96	6,158.46	
<b>Total</b>	<b>5,379.96</b>	<b>6,158.46</b>	
<b>NOTE [3.1] - Secured Term Loan from Banks</b>			
<b>Name</b>	<b>Tenor</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
State Bank of India	83 varied monthly installments Starting from June 2011	1,055.00	1,199.88
Axis Bank Ltd	85 varied monthly installments Starting from March 2011	1,041.18	1,186.56
Axis Bank Ltd	23 varied quarterly installments Starting from April 2012	2,256.00	2,518.95
Uco Bank	40 varied quarterly installments Starting from January 2005	1,024.26	1,212.29
The Saraswat Co-operative Bank Ltd.	60 equal monthly installments Starting from June 2011	3.52	5.19
		<b>5,379.96</b>	<b>6,122.87</b>
1. Security against Term Loan from State Bank of India is charged on specific wind farm of 3.6 MW and guaranteed by Weizmann Ltd and Weizmann Forex Ltd			
2. Security against Term Loans from Axis Bank Ltd is charged on receivable from specific wind farm of 18.0 MW			
3. Security against Term Loan from Uco Bank is charged on receivable from specific wind farm of 7.0 MW			
4. Security against Term Loan from Saraswat Co-op Bank Ltd is charged on specific vehicle			
<b>NOTE [3.2]</b>			
For the current maturities of long-term borrowings, refer item (a) in Note 7 of Other Current liabilities			

## Notes forming part of the Financial Statements

Particulars	As at 31.03.2013	As at 31.03.2012
<b>NOTE [4] - LONG TERM PROVISIONS</b>		
Provision for Employee Benefits		
Leave encashment	32.22	30.38
Gratuity	-	46.42
<b>Total</b>	<b>32.22</b>	<b>76.81</b>
<b>NOTE [5] - SHORT TERM BORROWINGS</b>		
<b><u>Unsecured</u></b>		
(a) Loans Repayable on Demand From Corporates	641.63	341.36
(b) Loans and advances from Related Parties	-	0.09
<b>Total</b>	<b>641.63</b>	<b>341.45</b>
<b>NOTE [6] TRADE PAYABLE S</b>		
Due to Micro,small and medium enterprises	-	-
Others	30.01	124.56
<b>Total</b>	<b>30.01</b>	<b>124.56</b>
<b>NOTE [7] - OTHER CURRENT LIABILITIES</b>		
(a) Current Maturities of Long Term Debt	1,093.19	1,015.18
(b) Statutory Obligations	82.85	111.81
(c) Payable against Purchases of Fixed Assets	-	3.38
(d) Unpaid Dividend	3.03	1.61
(e) Others	29.57	26.54
<b>Total</b>	<b>1,208.64</b>	<b>1,158.53</b>
<b>NOTE [7.1]</b>		
Current maturities of long term debts included in current liabilities (Refer Note 3)		
<b>NOTE [8] - SHORT TERM PROVISIONS</b>		
<b><u>Provision : Employee Benefits</u></b>		
Leave Encashment	17.99	14.08
	<b>17.99</b>	<b>14.08</b>
<b><u>Provision : Others</u></b>		
Provisions For Taxation	323.07	187.57
Provisions For Dividend	57.82	57.82
Provisions For Dividend Tax	9.38	9.38
	<b>390.27</b>	<b>254.77</b>
<b>Total</b>	<b>408.26</b>	<b>268.85</b>

**NOTE [9] - FIXED ASSETS**

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**Notes forming part of the Financial Statements**
**Rs. In Lakh**

Particulars			As at 31.03.2013	As at 31.03.2012
<b>NOTE [10] - NON CURRENT INVESTMENTS, at cost</b>				
<b>Non Trade, Unquoted investments</b>				
<u>In subsidiary company</u>				
Fully paid-up Equity Shares	<u>CY - Nos</u>	<u>PY - Nos</u>		
Almi Hydro-Electric Projects Ltd	50000	50000	125.00	125.00
Baledh Energy Projects Ltd	50000	50000	525.00	525.00
Batot Hydro Power Ltd	6965500	6965500	696.10	696.10
Bramanvel Energy Ltd	50000	50000	785.80	785.80
Greenweiz Projects Ltd	273290	273290	335.47	335.47
Joiner Hydro Power Projects Ltd	50000	50000	155.00	155.00
Khandesh Energy Projects Ltd	50000	50000	440.94	440.94
<u>In Joint Venture</u>				
Fully paid-up Equity Shares				
Weizmann Energy Ltd	824950	574950	82.50	57.50
<u>In Associate</u>				
Fully paid-up Equity Shares				
Parmatma Power Projects Pvt Ltd	5000	5000	0.53	0.53
<u>In Others</u>				
Fully paid-up Equity Shares				
Weizmann Corporate Services Ltd	1550	-	12.94	-
<b>Non Trade, Quoted investments</b>				
Fully paid-up Equity Shares				
Weizmann Forex Ltd	3440	3440	0.95	0.95
Weizmann Ltd	5160	5160	0.73	0.73
(Aggr Mkt Val Rs.2.36 Lakh - Prev.Yr - Rs.2.49 Lakh)				
<b>Trade, Unquoted investments</b>				
Fully paid-up Equity Shares				
The Saraswat Co-op Bank Ltd	2122	2122	0.21	0.21
<b>Total</b>			<b>3,161.16</b>	<b>3,123.22</b>
<b>NOTE [11] - LONG TERM LOANS AND ADVANCE S</b>				
<u>Unsecured, considered good</u>				
Capital Advances			4.48	-
Deposits			86.35	49.35
<b>Total</b>			<b>90.83</b>	<b>49.35</b>
<b>NOTE [12] - OTHER NON-CURRENT ASSETS</b>				
<u>Unsecured, considered good</u>				
Interest accrued on trade receivables			201.99	201.99
Other Receivables			1.66	1.66
<b>Total</b>			<b>203.65</b>	<b>203.65</b>
<b>NOTE [13] - TRADE RECEIVABLES</b>				
<u>Unsecured, considered good</u>				
Receivables outstanding for a period exceeding six months from the date they are due for payment			194.71	132.01
Other debts			285.54	1,036.69
<b>Total</b>			<b>480.25</b>	<b>1,168.71</b>



## Notes forming part of the Financial Statements

Rs. In Lakh

Particulars	As at 31.03.2013	As at 31.03.2012
<b>NOTE [14] - CASH AND BANK BALANCES</b>		
(A) <u>Cash and Cash Equivalent</u>		
(a) Cash on hand	-	0.14
(b) Cheques on hand	-	-
(c) Balance with banks :		
In current accounts	50.03	84.02
Sub Total	50.03	84.16
(B) <u>Other Bank Balance</u>		
(a) Fixed Deposit with maturity more than 12 months	289.37	89.37
(b) Balance with banks		
In Unpaid Dividend accounts	3.03	1.63
Sub Total	292.40	91.00
<b>Total</b>	<b>342.42</b>	<b>175.16</b>
<b>NOTE [15] - SHORT TERM LOANS AND ADVANCES</b>		
<u>Unsecured, considered good</u>		
Loans and advances to related parties	3,200.35	2,077.45
Income Tax and Tax Deducted at Source	28.69	29.31
Advances Recoverable in cash or in kind	49.10	27.70
Prepaid Expenses	17.54	25.81
Other loans and advances	27.88	-
<b>Total</b>	<b>3,323.56</b>	<b>2,160.27</b>
<b>NOTE [16] - OTHER CURRENT ASSETS</b>		
<u>Unsecured, considered good</u>		
Expense Reimbursable	0.80	88.51
Other Receivables	-	292.00
<b>Total</b>	<b>0.80</b>	<b>380.51</b>

**Notes forming part of the Financial Statements**
**Rs. In Lakh**

<b>Particulars</b>	<b>Year Ended 31.03.2013</b>	<b>Year Ended 31.03.2012</b>
<b>NOTE [17] - REVENUE FROM OPERATION</b>		
Sales of Products	2,667.58	2,354.49
Other Operating Income	346.02	181.14
<b>Total</b>	<b>3,013.60</b>	<b>2,535.63</b>
<b>NOTE [17.1]</b> <u>Sales of Products comprises</u>		
Sale of Power	2,667.58	2,354.49
	<b>2,667.58</b>	<b>2,354.49</b>
<b>NOTE [17.2]</b> <u>Other Operating Income comprises</u>		
Sale of Entitlement from Wind Power	346.02	181.14
	<b>346.02</b>	<b>181.14</b>
<b>NOTE [18] - OTHER INCOME</b>		
Interest	287.45	153.41
Dividend	0.12	0.12
Liquidated Damages	-	292.00
Others	9.07	1.62
<b>Total</b>	<b>296.63</b>	<b>447.15</b>
<b>NOTE [18.1]</b> <u>Interest Income comprises</u>		
Interest on Loans and Advances	262.76	138.66
Interest on Fixed Deposits in Banks	24.55	14.70
Interest on Others	0.14	0.05
<b>Total</b>	<b>287.45</b>	<b>153.41</b>
<b>NOTE [19] - OPERATING &amp; MAINTENANCE COST</b>		
Energy / Open Access Charges	264.02	110.36
Operations & Maintenance	285.62	347.44
Others	39.72	27.91
<b>Total</b>	<b>589.36</b>	<b>485.71</b>

## Notes forming part of the Financial Statements

Rs. In Lakh

Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
<b>NOTE [20] - EMPLOYEE BENEFITS</b>		
Salaries, Wages and Bonus	203.99	159.16
Contribution to Provident Funds and Other Funds	29.33	7.46
Staff Welfare Expenses	6.26	2.97
<b>Total</b>	<b>239.57</b>	<b>169.59</b>
<b>NOTE [21] - FINANCE COSTS</b>		
(a) Interest Expense on		
Secured Loans	892.48	633.14
Unsecured Loans	93.08	255.86
Others	16.20	1.11
(b) Other Borrowing Cost	2.81	53.47
<b>Total</b>	<b>1,004.57</b>	<b>943.58</b>
<b>NOTE [22] - OTHER EXPENSES</b>		
Audit Fees	2.68	2.54
Conveyance & Travelling Expense	9.90	14.49
Donation	7.85	1.30
Electricity Expense	2.99	1.94
Insurance Charges	40.64	67.48
Legal & Professional Charges	40.82	38.88
Rent	26.92	25.50
Rates & Taxes	3.89	3.56
Repairs & Maintenance	1.43	3.29
Miscellaneous Expenses	54.82	36.06
<b>Total</b>	<b>191.93</b>	<b>195.04</b>
<b>NOTE [22.1]</b>		
<b>Payments to the Auditors</b>		
For Audit	2.68	2.54
For other Services	-	-
<b>Total</b>	<b>2.68</b>	<b>2.54</b>

**NOTE [23]****Notes forming part of the Financial Statements****1) Significant Accounting Policies:****a) Accounting Convention :**

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

**b) Income & Expenditure:**

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

**c) Fixed Assets**

- Fixed assets are valued at cost less depreciation.
- Land - Leasehold is amortised over the tenure of lease.

**d) Depreciation :**

The company depreciates its assets on straight line method at the rates and in the manner prescribed under schedule XIV of the Companies Act, 1956.

**e) Capital Work In Progress:**

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

**f) Investments:**

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

**g) Borrowing Costs:**

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

**h) Retirement Benefits:**

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

**i) Amortization of Miscellaneous Expenditure:**

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

**j) Impairment of Assets**

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

**k) Taxation:**

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

**m) Deferred Tax:**

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

**n) Foreign Currency Transaction:**

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

**2) Contingent Liabilities: Rs Nil (Prev. Year - Rs. NIL )**

### Notes forming part of the Financial Statements

- 3) Consequent to the petition filed by Central Power Distribution Company of A.P. Ltd (APCPDCL), the distribution licensee, Andhra Pradesh Electricity Regulatory Commission (APERC) dated 16.11.2012 reviewed its earlier tariff order of Rs.3.37 per unit and fixed interim ad-hoc rate of Rs.1.69 per unit for the wind power supplied by the company. In view of the said order, amount unpaid for sale of power by APCPDCL for the period January 2011 to March 2012 the company reversed the portion of sale of wind power being difference of Rs.3.37 per unit to ad-hoc tariff of Rs.1.69 per unit totalling to Rs.127.28 lac and is shown as exceptional item. Further adjustments, if any, would be given effect to on APERC issuing the final order in the matter.

#### 4) Earnings in Foreign Exchange :

Sale of Entitlement from Wind Power : Rs 90.78 Lac (Prev. Year - Rs. Nil)

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

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

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

#### Assumptions

**31.03.2013**

Discount Rate	8.00%
Salary Escalation	7.00%

Table Showing changes in present value of Obligation As on 31.03.2013

Present value of obligations as at beginning of year	86.15
Interest cost	6.89
Current Service Cost	7.32
Benefits Paid	-
Actuarial (Gain) / Loss on obligations	2.92
Present value of obligations as at end of year	103.28

Table showing changes in the fair value of plan assets As on 31.03.2013

Fair value of plan assets at beginning of year	51.68
Expected return on plan assets	8.78
Contributions	46.11
Benefits Paid	-
Actuarial gain/(loss) on Plan assets	-
Fair value of plan assets at the end of year	106.57

Table showing fair value of plan assets

Fair value of plan assets at beginning of year	51.68
Actual return on plan assets	8.78
Contributions	46.11
Benefits Paid	-
Fair value of plan assets at the end of year	106.57
Funded status	3.29
Excess of Actual over estimated return on plan assets	-
(Actual rate of return = Estimated rate of return as ARD falls on 31st March)	

Actuarial Gain/Loss recognized As on 31.03.2013

Actuarial (gain)/ loss on obligations	(2.92)
Actuarial (gain)/ loss for the year - plan assets	-
Actuarial (gain)/ loss on obligations	2.92
Actuarial (gain)/ loss recognized in the year	2.92

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

Present value of obligations as at the end of year	103.28
Fair value of plan assets as at the end of the year	106.57
Funded status	3.29
Net asset/(liability) recognized in balance sheet	3.29

Expenses Recognised in statement of Profit and loss

Current Service cost	7.32
Interest Cost	6.89
Expected return on plan assets	(8.78)
Net Actuarial (gain)/ loss recognized in the year	2.92
Expenses recognised in statement of Profit and loss	8.35

Since the gratuity fund was constituted in March 2011, actuarial valuation was not available as of 31.03.2012 and hence previous year's figures not given

**Notes forming part of the Financial Statements**

- 6) 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.

**7) Disclosure as per clause 32 of the Listing Agreement**
**a) Loans and Advances to Subsidiary Companies**

Name of the subsidiary company	Rupees in Lakh	
	As at 31.03.2013	Max Bal O/s during the year
Almi Hydro Electric Projects Limited	84.24 (56.78)	84.24 (56.78)
Batot Hydro Power Limited	2,985.10 (1,935.66)	2,985.10 (1,935.66)
Brahmanvel Energy Limited	74.99 (Nil)	74.99 (Nil)
Joiner Hydro Power Projects Limited	55.81 (46.59)	63.09 (46.59)

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

Name of the associate company	Rupees in Lakh	
	As at 31.03.2013	Max Bal O/s during the year
Weizmann Energy Limited	0.21 (3.90)	3.90 (7.51)

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

Name of the company	Rupees in Lakh	
	As at 31.03.2013	Max Bal O/s during the year
Advitiya Power Ventures Private Limited	Nil Nil	Nil (2.26)
Windia Infrastructure Finance Limited	1.33 (Nil)	563.00 (9.66)

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

Name of the company	Nos of shares held	
	31.03.2013	31.03.2012
Windia Infrastructure Finance Limited	2180587	2180470
<u>In Subsidiary Company</u>		
Windia Infrastructure Finance Limited (in Batot Hydro Power Ltd)	3034500	3034500
Windia Infrastructure Finance Limited (in Greenweiz Projects Ltd)	221500	221500

**8) Deferred Tax**
**Rupees in Lakh**

Particulars	31.03.2013	31.03.2012
<b><u>Deferred Tax Liabilities</u></b>		
Difference between Book and Tax Depreciation	2,157.92	2,366.40
<b>Sub Total (a) ==&gt;</b>	<b>2,157.92</b>	<b>2,366.40</b>
<b><u>Deferred Tax Assets</u></b>		
Others	26.87	54.07
<b>Sub Total (b) ==&gt;</b>	<b>26.87</b>	<b>54.07</b>
<b>Net Deferred Tax Liability (a - b)</b>	<b>2,131.06</b>	<b>2,312.33</b>



**Notes forming part of the Financial Statements**
**9) Earnings per Share**

- A. Net Profit / (Loss) After Tax (Rs. In Lakh)  
 B. Weighted Average Number of Equity Shares  
 C. Nominal Value per Ordinary Shares  
 D. Basic & Diluted Earning Per Share

31.03.2013	31.03.2012
245.87	234.89
11569918	11569918
10.00	10.00
<b>2.13</b>	<b>2.03</b>

**10) Related Party Disclosure for**

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

**A Related Party and their Relationship**

Subsidiaries	Joint Ventures	Associate
Almi Hydro Electric Projects Limited Baledh Energy Projects Limited Batot Hydro Power Limited Brahmanvel Energy Limited Greenweiz Projects Limited Joiner Hydro Power Projects Limited Khandesh Energy Projects Limited Vajharpada Energy Limited	Weizmann Energy Ltd	Parmatma Power Projects Pvt Ltd

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

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

Nature of Transaction	Subsidiaries	Associate	Key Management Personnel	Total
<b><u>INCOME / RECIEPTS</u></b>				
<u>Interest</u>	<b>262.53</b> (138.03)	<b>0.23</b> (0.44)	- -	<b>262.76</b> (138.47)
Almi Hydro Electric Projects Limited	7.01 (4.45)	- -	- -	7.01 (4.45)
Batot Hydro Power Limited	244.74 (129.35)	- -	- -	244.74 (129.35)
Joiner Hydro Power Projects Limited	5.24 (4.23)	- -	- -	5.24 (4.23)
Brahmanvel Energy Limited	5.54 -	- -	- -	5.54 -
Weizmann Energy Limited	- -	0.23 (0.44)	- -	0.23 (0.44)
<b><u>EXPENDITURE / PAYMENTS</u></b>				
<u>Interest</u>	- (0.10)	- -	- -	- (0.10)
Greenweiz Projects Limited	- (0.10)	- -	- -	- (0.10)
<u>Operation &amp; Maintenance Expenses</u>	<b>27.99</b> (1,122.45)	- -	- -	<b>27.99</b> (1,122.45)
Greenweiz Projects Limited	27.99 (1,122.45)	- -	- -	27.99 (1,122.45)
<u>Remuneration</u>	- -	- -	<b>17.28</b> (18.64)	<b>17.28</b> (18.64)
G. N. Kamath	- -	- -	17.28 (18.64)	17.28 (18.64)

**Notes forming part of the Financial Statements**

<b>FINANCE</b>				
<u>Loans Given</u>	<b>1,288.11</b>	-	-	<b>1,288.11</b>
	(2,959.68)	(9.40)	-	(2,969.08)
Almi Hydro Electric Projects Limited	32.46	-	-	<b>32.46</b>
	(19.15)	-	-	(19.15)
Batot Hydro Power Limited	1,159.44	-	-	<b>1,159.44</b>
	(2,932.07)	-	-	(2,932.07)
Joiner Hydro Power Projects Limited	21.22	-	-	<b>21.22</b>
	(8.46)	-	-	(8.46)
Brahmanvel Energy Limited	74.99	-	-	<b>74.99</b>
	-	-	-	-
Weizmann Energy Limited	-	0.21	-	<b>0.21</b>
	-	(9.40)	-	(9.40)
<u>Subscription to Equity</u>	-	<b>25.00</b>	-	<b>25.00</b>
	-	(10.00)	-	(10.00)
Weizmann Energy Limited	-	25.00	-	25.00
	-	(10.00)	-	(10.00)
<u>Purchase of Fixed Assets</u>	-	-	-	-
	(103.81)	-	-	(103.81)
Greenweiz Projects Limited	-	-	-	-
	(103.81)	-	-	(103.81)
<b>OUTSTANDINGS</b>				
<u>Other Current Assets</u>	<b>0.80</b>	-	-	<b>0.80</b>
	(49.11)	-	-	(49.11)
Almi Hydro Electric Projects Limited	-	-	-	-
	(3.75)	-	-	(3.75)
Baledh Energy Projects Limited	-	-	-	-
	(0.59)	-	-	(0.59)
Batot Hydro Power Limited	0.80	-	-	0.80
	(27.02)	-	-	(27.02)
Brahmanvel Energy Limited	-	-	-	-
	(9.87)	-	-	(9.87)
Joiner Hydro Power Projects Limited	-	-	-	-
	(3.75)	-	-	(3.75)
Khandesh Energy Projects Limited	-	-	-	-
	(3.69)	-	-	(3.69)
Vajharpada Energy Limited	-	-	-	-
	(0.44)	-	-	(0.44)
<u>Creditors</u>	<b>2.39</b>	-	-	<b>2.39</b>
	(35.98)	-	-	(35.98)
Greenweiz Projects Limited	2.39	-	-	2.39
	(35.98)	-	-	(35.98)
<u>Loans &amp; Advances</u>	<b>3,200.14</b>	<b>0.21</b>	-	<b>3,200.35</b>
	(2,073.55)	(3.90)	-	(2,077.45)
Almi Hydro Electric Projects Limited	84.24	-	-	84.24
	(56.78)	-	-	(56.78)
Batot Hydro Power Limited	2,985.10	-	-	2,985.10
	(1,935.66)	-	-	(1,935.66)
Brahmanvel Energy Limited	74.99	-	-	74.99
	-	-	-	-
Joiner Hydro Power Projects Limited	55.81	-	-	55.81
	(46.59)	-	-	(46.59)
Weizmann Energy Limited	-	0.21	-	0.21
	-	(3.90)	-	(3.90)
Greenweiz Projects Limited	-	-	-	-
	(34.52)	-	-	(34.52)

**Notes forming part of the Financial Statements**
**11) Joint Venture Disclosure**

Jointly Controlled entity by the Company.

Name of the Company	Country of Incorporation	% of Holding
Weizmann Energy Limited	India	50%

Interests in Assets, Liabilities, Income &amp; Expenses with respect to Jointly Controlled Entity

Particulars	31.03.2013	31.03.2012
<b><u>ASSETS</u></b>		
Fixed Assets	70.25	55.78
Investments	-	-
Current Assets, Loans & Advances	9.86	1.87
Sundry Debtors	-	-
Cash and Bank Balances	1.11	1.01
Loans and Advances	8.75	0.86
Miscellaneous Expenditure	-	-
<b><u>LIABILITIES</u></b>		
Loan Funds	0.12	2.18
Long Term Borrowings	-	-
Short Term Borrowings	0.12	2.18
Current Liabilities and Provisions	0.41	0.36
Trade Payable	0.37	0.27
Other Current Liabilities	0.04	0.09
Provisions	-	-
Deferred Tax	-	-
<b><u>INCOME</u></b>		
Sales and Operating Income	-	-
Other Income	0.04	-
<b><u>EXPENSES</u></b>		
Operating Expenses	-	-
Finance Charges	-	-
Depreciation	0.15	0.17
Other Expenses	0.43	0.12
Preliminary Expenses written off	-	-
Provision for Taxation	-	-

**Notes forming part of the Financial Statements**

12) 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.

**13) 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.

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

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**Signatures to the Notes 1 to 23 forming part of the Balance Sheet as at 31.03.2013 and the Statement of Profit & Loss for the year ended 31.03.2013****As per our report of even date attached****For and on behalf of the Board****For U. B. Sura & Co.  
Chartered Accountants****For Shyam C. Agrawal & Co.  
Chartered Accountants****D. G. Siraj  
(Chairman)****G. N. Kamath  
(Managing Director)****U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 30.05.2013****Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 30.05.2013****T. V. Subramanian  
(Head - Finance &  
Company Secretary)**

**Statement pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Companies**

Rupees in Lakh

Particulars	Almi Hydro Electric Projects Ltd	Baledh Energy Projects Ltd	Batot Hydro Power Ltd	Brahmanvel Energy Ltd	Joiner Hydro Power Projects Ltd	Khandesh Energy Projects Ltd	Greenweiz Projects Ltd	Vajharpada Energy Ltd
w.e.f. ==>	01.04.2010	01.04.2010	01.04.2010	01.04.2010	01.04.2010	01.04.2010	01.04.2010	01.04.2010
The Financial Year of the Subsidiary Company	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013
Number of Shares in the Subsidiary Company held at the above date	50000	50000	6965500	50000	50000	50000	273290	27605
Extent of Holding	100.00%	100.00%	69.66%	100.00%	100.00%	100.00%	55.21%	55.21%
The net aggregate of Profits/(Losses) of the Subsidiary Companies for its financial year so far as they are concern to the members of Karma Energy Ltd dealt with in the accounts of Karma Energy Ltd for the year ended 31.03.2012:								
(a) Dealt with in the accounts of Karma Energy Ltd for the year ended 31.03.2013	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Not dealt with in the accounts of Karma Energy Ltd for the year ended 31.03.2013	0.02	(0.61)	(286.72)	(0.24)	(0.04)	(0.24)	(20.65)	(0.12)
The net aggregate of Profits/(Losses) of the Subsidiary Companies for its previous financial year so far as they are concern to the members of Karma Energy Ltd								
(a) Dealt with in the accounts of Karma Energy Ltd upto the year ended 31.03.2012	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Not dealt with in the accounts of Karma Energy Ltd upto the year ended 31.03.2012	(0.31)	(0.76)	(5.31)	(1.17)	(0.26)	(1.16)	10.15	(0.29)

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

To  
The Board of Directors of  
Karma Energy Limited

We have audited the accompanying consolidated financial statements of Karma Energy Limited ("the Company") and its subsidiaries and Joint Venture which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and presentation 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and joint venture as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the consolidated Profit and Loss Account, of the Loss for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

**Other Matter**

We did not audit the financial statements of certain subsidiaries and joint venture, whose financial statements reflect total assets of Rs.431.76 Lac as at March 31, 2013 and total revenues of Rs.0.59 Lac and net cash flows amounting to Rs.0.56 Lac for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

**FOR U.B.SURA & CO.,  
CHARTERED ACCOUNTANTS  
FRN 110620W**

**U.B.SURA  
PROPRIETOR  
MEMBERSHIP NO: 32026  
PLACE: MUMBAI  
DATED: 30.05.2013**

**FOR SHYAM C. AGRAWAL & CO.,  
CHARTERED ACCOUNTANTS  
FRN 110243W**

**SHYAM C. AGRAWAL  
PROPRIETOR  
MEMBERSHIP NO: 31774  
PLACE: MUMBAI  
DATED: 30.05.2013**

**Consolidated Balance Sheet as at 31.03.2013**
**Rs. In Lakh**

Particulars	Note No.	Amount 31.03.2013	Amount 31.03.2012
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	1,156.99	1,156.44
Share Capital - Suspense		-	0.56
Reserves and Surplus	2	2,882.54	3,049.81
Money received against share warrants		-	-
		<b>4,039.53</b>	<b>4,206.81</b>
<b>Share application money pending allotment</b>		-	-
Minority Interest		481.97	623.68
<b>Non-Current Liabilities</b>			
Long Term Borrowings	3	6,177.34	7,101.86
Deferred Tax Liabilities (Net)		1,905.13	2,302.63
Other Long Term Liabilities		-	-
Long Term Provisions	4	38.24	76.98
		<b>8,120.71</b>	<b>9,481.47</b>
<b>Current Liabilities</b>			
Short Term Borrowings	5	898.13	797.80
Trade Payables	6	56.08	100.99
Other Current Liabilities	7	1,587.30	1,520.22
Short Term Provisions	8	412.32	292.38
		<b>2,953.83</b>	<b>2,711.39</b>
<b>TOTAL</b>		<b>15,596.04</b>	<b>17,023.34</b>
<b>II ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets			
Tangible Assets	9	10,952.96	7,616.42
Intangible Assets		2,191.68	2,191.68
Capital Work-in-Progress		285.13	4,337.36
Intangible Assets under Development		-	-
Fixed Assets held for Sale		-	-
Non Current Investments	10	333.26	320.42
Deferred Tax Assets (Net)		-	-
Long Term Loans and Advances	11	101.58	81.46
Other Non-Current Assets	12	203.65	203.65
		<b>14,068.27</b>	<b>14,750.99</b>
<b>Current assets</b>			
Current Investments		-	-
Inventories	13	353.22	317.22
Trade Receivables	14	528.80	1,198.06
Cash and Cash Equivalents	15	372.34	199.33
Short Term Loans and Advances	16	273.42	226.50
Other Current Assets	17	-	331.24
		<b>1,527.78</b>	<b>2,272.35</b>
<b>TOTAL</b>		<b>15,596.04</b>	<b>17,023.34</b>

See accompanying notes to the financial statements

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As per our report of even date attached

For and on Behalf of the Board

For U. B. Sura &amp; Co.

For Shyam C. Agrawal &amp; Co.

Chartered Accountants

Chartered Accountants

D. G. Siraj  
(Chairman)

G. N. Kamath  
(Managing Director)

U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 30.05.2013

Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 30.05.2013

T.V.Subramanian  
(Head-Finance &  
Company Secretary)

**Consolidated Statement of Profit & Loss for the year ended 31.03.2013** Rs. In Lakh

Particulars	Note No.	Amount 31.03.2013	Amount 31.03.2012
<b>I Revenue from Operations</b>	18	3,170.62	2,689.35
<b>II Other Income</b>	19	122.58	312.53
<b>III Total Revenue (I + II)</b>		<b>3,293.20</b>	<b>3,001.88</b>
<b>IV Expenses</b>			
Cost of Materials Consumed		-	-
Purchases of Stock-in-Trade	20	55.57	58.58
Changes in Inventories		(36.11)	(19.54)
Operating & Maintenance Cost	21	694.42	455.41
Employee Benefits Expense	22	357.88	283.11
Finance Costs	23	1,204.55	958.46
Depreciation and Amortization Expense	9	926.72	800.88
Other Expenses	24	292.98	247.66
<b>Total Expenses</b>		<b>3,496.01</b>	<b>2,784.56</b>
<b>V Profit/(Loss) before Exceptional &amp; Extraordinary Items &amp; Tax (III-IV)</b>		<b>(202.81)</b>	<b>217.32</b>
<b>VI Exceptional Items</b>		127.28	-
<b>VII Profit/(Loss) before Extraordinary Items and Tax (V - VI)</b>		<b>(330.09)</b>	<b>217.32</b>
<b>VIII Extraordinary Items</b>		-	-
<b>IX Profit/(Loss) Before Tax (VII - VIII)</b>		<b>(330.09)</b>	<b>217.32</b>
<b>X Tax Expense</b>			
(1) Current Tax		311.00	197.24
(2) Deferred Tax		(397.56)	(8.54)
(3) MAT Credit entitlement		-	(14.09)
(4) Prior Year Taxation		(1.85)	-
<b>XI Profit/(Loss) for the year from Continuing Operations (IX - X)</b>		<b>(241.68)</b>	<b>42.72</b>
<b>XII Profit/(Loss) from Discontinuing Operations</b>		-	-
<b>XIII Tax Expense of Discontinuing Operations</b>		-	-
<b>XIV Profit/(Loss) from Discontinuing Operations (after tax) (XII - XIII)</b>		-	-
<b>XV Profit/(Loss) for the year before Minority Interest &amp; Share of Associate</b>		<b>(241.68)</b>	<b>42.72</b>
Minority Interest		(141.72)	5.69
Share in Associates		(0.11)	(0.10)
<b>Profit/(Loss) for the year</b>		<b>(100.07)</b>	<b>36.93</b>
Earnings per Equity Share:			
1. Basic		(2.09)	0.37
2. Diluted		(2.09)	0.37

See accompanying notes to the financial statements

As per our report of even date attached

For U. B. Sura & Co.  
Chartered Accountants

For Shyam C. Agrawal & Co.  
Chartered Accountants

25  
For and on Behalf of the Board

D. G. Siraj  
(Chairman)  
G. N. Kamath  
(Managing Director)

U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 30.05.2013

Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 30.05.2013

T.V.Subramanian  
(Head-Finance &  
Company Secretary)



**Consolidated Cash Flow Statement for the year ended 31.03.2013**
**Rs. In Lakh**

	<b>Year Ended</b>		<b>Year Ended</b>	
	<b>31.03.2013</b>		<b>31.03.2012</b>	
<b>Cash Flow from Operating Activities</b>				
Net Profit / (Loss) before extraordinary items and tax		<b>(330.09)</b>		<b>217.32</b>
<i>Adjustments for:</i>				
Depreciation and Amortisation	926.72		800.88	
Loss on Sale of Assets	0.13			
Miscellaneous Expenses	(0.05)			
		<b>926.80</b>		<b>800.88</b>
<b>Operating profit / (loss) before working capital changes</b>		<b>596.71</b>		<b>1,018.20</b>
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets</i>				
Inventories	(36.00)		5.07	
Trade receivables	669.26		95.03	
Short-term loans and advances	(46.55)		124.08	
Long-term loans and advances	(20.12)		47.30	
Other current assets	329.84		(330.69)	
Other non-current assets	-		(1.66)	
Bank Deposits	(200.55)		141.97	
		<b>695.88</b>		<b>81.10</b>
		<b>1,292.59</b>		<b>1,099.30</b>
<i>Adjustments for increase / (decrease) in operating liabilities</i>				
Trade payables	(44.91)		(1,125.45)	
Other current liabilities	67.09		152.97	
Short-term provisions	6.68		1.76	
Long-term provisions	(38.74)		9.78	
		<b>(9.88)</b>		<b>(960.94)</b>
<b>Cash generated from operations</b>		<b>1,282.71</b>		<b>138.36</b>
Net Income Tax Paid / (Refund)		<b>(196.26)</b>		<b>(22.44)</b>
<b>in) operating activities (A)</b>		<b>1,086.45</b>		<b>115.92</b>
<b>Investments in Fixed Assets</b>				
Capital Expenditure on Fixed Assets	(4,263.49)		(512.34)	
Capital Work In Progress	4,052.23		(722.89)	
Sale of Fixed Assets	0.10		41.86	
Purchase of long-term investments				
- Associate	0.11		(0.42)	
- Others	(12.95)		(0.21)	
<b>Net cash flow from Investing activities (B)</b>		<b>(224.01)</b>		<b>(1,194.00)</b>
		<b>862.45</b>		<b>(1,078.08)</b>
<b>Financing</b>				
Dividend Paid	(57.82)		(57.82)	
Tax on Dividend	(9.38)		(9.38)	
Increase / (Decrease) in Long Term Borrowings	(924.52)		2,685.90	
Increase / (Decrease) in Short Term Borrowings	100.33		(1,276.94)	
<b>Net cash flow from Financing activities (C)</b>		<b>(891.39)</b>		<b>1,341.76</b>
<b>Total (A + B + C)</b>		<b>(28.94)</b>		<b>263.68</b>
Cash and Cash Equivalent at the Beginning of the year	101.45		(167.95)	
Add on Amalgamation	-		5.72	
	101.45		(162.23)	
Cash and Cash Equivalent at the End of the year	<b>72.51</b>	<b>(28.94)</b>	<b>101.45</b>	<b>263.68</b>
(a) Cash on Hand	-		2.59	
(b) Balances with banks				
in current accounts	72.51		98.86	

**As per our report of even date attached**
**For and on Behalf of the Board**
**For U. B. Sura & Co.**  
**Chartered Accountants**
**For Shyam C. Agrawal & Co.**  
**Chartered Accountants**
**D. G. Siraj**  
 (Chairman)

**G. N. Kamath**  
 (Managing Director)

**U. B. Sura**  
**Proprietor**  
**Membership No. 32026**  
**Firm Regn. No. 110620W**  
**Mumbai, Dated : 30.05.2013**
**Shyam C. Agrawal**  
**Proprietor**  
**Membership No. 31774**  
**Firm Regn. No. 110243W**  
**Mumbai, Dated : 30.05.2013**
**T.V.Subramanian**  
 (Head-Finance &  
 Company Secretary)

**Notes forming part of the Consolidated Financial Statements**
**Rs. In Lakh**

Particulars	Amount 31.03.2013	Amount 31.03.2012		
<b>NOTE [1] - SHARE CAPITAL</b>				
<b>Authorised Share Capital</b>				
1,80,00,000 Equity Shares of Rs.10/-each (PreviousYear 1,80,00,000 Equity Shares of Rs.10/- each)	<b>1,800.00</b>	<b>1,800.00</b>		
<b>Issued, Subscribed &amp; Paid-up Share Capital</b>				
1,15,69,918 Equity Shares of Rs.10/- each fully Paid-up (PreviousYear 1,15,64,357 Equity Shares of Rs.10/- each)	1,156.99	1,156.44		
<b>Total</b>	<b>1,156.99</b>	<b>1,156.44</b>		
<b>NOTE [1.1]</b>				
<b>Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year</b>	<b>As at 31.03.2013</b>	<b>As at 31.03.2012</b>		
	<b>In Nos.</b>	<b>Rs. In Lac</b>	<b>In Nos.</b>	<b>Rs. In Lac</b>
Equity Shares				
At the beginning of the Year	11514357	1,156.44	11564357	1,156.44
Issued during the Year	5561	0.55	-	-
Outstanding at the end of the Year	<b>11519918</b>	<b>1,156.99</b>	<b>11564357</b>	<b>1,156.44</b>
<b>NOTE [1.2]</b>				
<b>Terms / Rights attached to Equity Shares</b>				
a. The Company has only one class of equity shares having a par value of Rs.10/- per Share.				
b. Each holder of equity shares is entitled to one vote per share.				
c. The dividend on equity shares proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.				
d. 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				
e. The company has not issued any bonus shares or bought back the equity shares in the last 5 years immediately preceding the balance sheet date.				
f. The company in FY 2010-11 had issued 11514357 Equity Shares of face value of Rs.10/- each pursuant to composite scheme of arrangement u/s 391 to 394 of the Companies Act 1956, sanctioned by the Hon'ble High Court of Bombay on 29.10.2010, pursuant to which the power business undertaking of the de-merged Company Weizmann Ltd stood vested in the Company with effect from de-merger appointed date 01.04.2010 and the Shares were issued in the proportion of 2 Equity Shares of face value of Rs.10/- each of the Company for every 3 Equity Shares held by the shareholders in the de-merged Company Weizmann Ltd.				
g. With respect to the amalgamation of the transferor company Avirodh Financial Seives 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				
<b>NOTE [1.3]</b>	<b>As at 31.03.2013</b>	<b>As at 31.03.2012</b>		
<b>Details of shares held by each shareholder holding more than 5% shares:</b>	<b>In Nos</b>	<b>Holding</b>	<b>In Nos</b>	<b>Holding</b>
<b>Equity shares of Rs.10/- fully paid up</b>		<b>(%)</b>		<b>(%)</b>
Chetan D. Mehra	1464011	12.65%	1464010	12.66%
Dharmendra Siraj	1112060	9.61%	1112060	9.62%
Sitex India Private Limited	1220865	10.55%	1220859	10.56%
Windia Infrastructure Finance Limited	2180587	18.85%	2180470	18.86%
Purvaja Projects Limited	840000	7.26%	840000	7.26%

**Notes forming part of the Consolidated Financial Statements**
**Rs. In Lakh**

Particulars	Amount 31.03.2013	Amount 31.03.2012	
<b>NOTE [1.4]</b> <b>Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates</b> Karma Energy Ltd, the holding company Windia Infrastructure Finance Ltd, the associate			
<b>NOTE [2] - RESERVES &amp; SURPLUS</b>			
<b><u>Capital Reserve</u></b>			
Opening Balance	76.96	67.51	
Additions : On Amagamation	-	9.45	
Closing Balance	<b>76.96</b>	<b>76.96</b>	
<b><u>General Reserve</u></b>			
Opening Balance	3,074.95	3,074.95	
Closing Balance	<b>3,074.95</b>	<b>3,074.95</b>	
<b><u>Surplus / (Deficit) in the Statement of Profit &amp; Loss</u></b>			
Opening Balance	(102.10)	(3.85)	
Additions : On Amagamation	-	(67.98)	
Add : Profit / (Loss) for the Year	(99.53)	37.21	
<b>Group's share in Joint Ventures</b>	(0.54)	(0.29)	
<b><u>Allocations and appropriations</u></b>			
Transfer to General Reserve			
Proposed Dividend	57.82	57.82	
Dividend Distribuion Tax	9.38	9.38	
Closing Balance	<b>(269.38)</b>	<b>(102.10)</b>	
<b>Total</b>	<b>2,882.54</b>	<b>3,049.81</b>	
<b>NOTE [3] - LONG TERM BORROWINGS</b>			
<b>Term Loans</b>			
<b><u>Secured</u></b>			
From Banks	6,177.34	7,101.86	
<b>Total</b>	<b>6,177.34</b>	<b>7,101.86</b>	
<b>NOTE [3.1] - Secured Term Loan from Banks</b>			
<b>Name</b>	<b>Tenor</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
State Bank of India	83 varied monthly installments Starting from June 2011	1,055.00	1,220.00
Axis Bank Ltd	85 varied monthly installments Starting from March 2011	1,041.18	1,200.92
Axis Bank Ltd	23 varied quarterly installments Starting from April 2012	2,256.00	2,520.00
Uco Bank	40 varied quarterly installments Starting from January 2005	1,024.26	1,212.29
The Saraswat Co-operative Bank Ltd	60 equal monthly installments Starting from June 2011	3.52	5.25
State Bank of Patiala	32 equal quarterly installments Starting from June 2010	795.00	936.00
The Saraswat Co-operative Bank Ltd	60 equal quarterly installments Startin_g from December 2009	1.21	5.33
The Saraswat Co-operative Bank Ltd	60 equal quarterly installments Starting from December 2009	-	0.90
The Saraswat Co-operative Bank Ltd	60 equal quarterly installments Starting from July 2008	1.17	1.17
<b>Total ==&gt;</b>		<b>6,177.34</b>	<b>7,101.86</b>

**Notes forming part of the Consolidated Financial Statements**
**Rs. In Lakh**

Particulars	Amount 31.03.2013	Amount 31.03.2012
1. Security against Term Loan from State Bank of India is charge on specific wind farm of 3.6 MW & guaranteed by Weizmann Ltd and Weizmann Forex Ltd		
2. Security against Term Loans from Axis Bank Ltd is charge on receivable from specific wind farm of 9.0 MW.		
3. Security against Term Loans from Axis Bank Ltd is charge on receivable from specific wind farm of 9.0 MW.		
4. Security against Term Loan from Uco Bank is charge on receivable from specific wind farm of 7.0 MW.		
5. Security against Term Loan from Saraswat Co-op Bank Ltd is charge on specific vehicle.		
6. Security against Term Loan from State Bank of Patiala is charge on specific hydro power project of 3.5 MW and guaranteed by Weizmann Ltd		
<b>NOTE [3.2]</b> For the Current Maturities of Long Term Borrowings, refer item (a) in Note 7 of Other Current Liabilities.		
<b>NOTE [4] - LONG TERM PROVISIONS</b> Provision for Employee Benefits Leave Encashment Gratuity	38.20 0.04	30.56 46.42
<b>Total</b>	<b>38.24</b>	<b>76.98</b>
<b>NOTE [5] - SHORT TERM BORROWINGS</b> <b>Unsecured</b> (a) Loans Payable on Demand From Corporates <b>Group's share in Joint Venture</b> (b) Loans and Advances from Related Parties <b>Group's share in Joint Venture</b>	894.34 0.02 3.78 -	540.70 0.22 256.88 -
<b>Total</b>	<b>898.13</b>	<b>797.80</b>
<b>NOTE [6] TRADE PAYABLES</b> Due to Micro, Small and Medium Enterprises Others <b>Group's share in Joint Venture</b>	- 55.71 0.37	- 100.72 0.27
<b>Total</b>	<b>56.08</b>	<b>100.99</b>
<b>NOTE [7] - OTHER CURRENT LIABILITIES</b> (a) Current Maturities of Long Term Debt (b) Interest Accrued but not due (b) Statutory Obligations (c) Advances from Customers (d) Expenses Reimbursable (e) Payable against Purchases of Fixed Asset (f) Unpaid Dividend (g) Others <b>Group's share in Joint Venture</b>	1,298.50 - 114.80 0.81 0.29 89.05 3.03 80.78 0.04	1,212.64 - 132.96 11.55 9.86 130.05 1.61 21.45 0.09
<b>Total</b>	<b>1,587.30</b>	<b>1,520.22</b>
<b>NOTE [7.1]</b> Current Maturities of Long Term Debts included in Current Liabilities (Refer Note 3)		
<b>NOTE [8] - SHORT TERM PROVISIONS</b> <b>Provision : Employee Benefits</b> Leave Encashment	22.05	15.37
<b>Provision : Others</b> Provisions For Taxation Provisions For Dividend Provisions For Dividend Tax	323.07 57.82 9.38	209.81 57.82 9.38
<b>Total</b>	<b>412.32</b>	<b>292.38</b>

Notes forming part of the Consolidated Financial Statements  
NOTE [9] - FIXED ASSET

Rs in Lakh

		Depreciation					Net Block				
	Nature Of Asset	As at 01.04.2012	Additions During the Year	Deletion / Adj. During the Year	As at 31.03.2013	Upto 31.03.2012	For the Year	Withdra wals	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
1	<b><u>TANGIBLE ASSETS</u></b>										
	<b>Land</b>										
	(a) Free Hold	114.41	-	-	114.41	-	-	-	-	114.41	114.41
	(b) Lease Hold	42.83	-	-	42.83	13.67	1.71	-	15.38	27.45	29.16
	(c) Lease Hold - Proj *	24.42	-	-	24.42	-	-	-	-	24.42	24.42
	(d) Lease Hold - TL *	-	118.14	-	118.14	-	-	-	-	118.14	-
	(e) Lease Hold - TL	-	5.50	-	5.50	-	-	-	-	5.50	-
	<b>Plant &amp; Machinery</b>										
	(a) Own	15,026.98	1,500.51	0.00	16,527.49	7,610.08	844.59	-	8,454.67	8,072.82	7,416.90
	(b) Lease	-	-	-	-	-	-	-	-	-	-
	<b>Building &amp; Civil Engg</b>										
	<b>Office Equipment</b>	1.78	1.12	0.32	2.58	1.02	0.11	0.09	1.04	1.54	0.76
	<b>Computers</b>	3.30	0.29	-	3.59	2.25	0.33	-	2.58	1.01	1.06
	<b>Furniture &amp; Fixtures</b>	4.07	0.70	-	4.77	2.27	0.21	-	2.48	2.29	1.80
	<b>Vehicles</b>	57.42	0.40	-	57.82	29.50	5.82	-	35.32	22.50	27.92
	<b>Schedule (1)</b>	<b>15,275.21</b>	<b>4,263.49</b>	<b>0.32</b>	<b>19,538.38</b>	<b>7,658.79</b>	<b>926.72</b>	<b>0.09</b>	<b>8,585.42</b>	<b>10,952.96</b>	<b>7,616.42</b>
2	<b><u>INTANGIBLE ASSETS</u></b>										
	<b>Goodwill</b>	-	-	-	-	-	-	-	-	2,191.68	2,191.68
	<b>Schdeule (2)</b>	-	-	-	-	-	-	-	-	<b>2,191.68</b>	<b>2,191.68</b>
	<b>Total Assets</b>	<b>15,275.21</b>	<b>4,263.49</b>	<b>0.32</b>	<b>19,538.38</b>	<b>7,658.79</b>	<b>926.72</b>	<b>0.09</b>	<b>8,585.42</b>	<b>13,144.64</b>	<b>9,808.10</b>
	Groups Interest in JV	-	-	-	-	-	-	-	-	-	-
	Previous Year	14,934.18	575.58	171.31	15,275.21	6,987.34	800.88	129.44	7,658.79	7,616.42	7,946.84

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

**Notes forming part of the Consolidated Financial Statements**
**Rs. In Lakh**

Particulars	Amount 31.03.2013	Amount 31.03.2012
<b>NOTE [10] - NON CURRENT INVESTMENTS, at cost</b>		
<b>Non-Trade, Unquoted investments</b>		
In Associate	0.31	0.42
In Others	330.81	317.86
<b>Non Trade, Quoted investments</b>		
Others	1.68	1.68
<b>Trade, Unquoted investments</b>		
Others	0.46	0.46
<b>Total</b>	<b>333.26</b>	<b>320.42</b>
<b>NOTE [11] - LONG TERM LOANS AND ADVANCE S</b>		
<b><u>Unsecured, considered good</u></b>		
Capital Advances	4.63	16.51
Deposits	96.95	64.95
<b>Total</b>	<b>101.58</b>	<b>81.46</b>
<b>NOTE [12] - OTHER NON-CURRENT ASSETS</b>		
<b><u>Unsecured, considered good</u></b>		
Interest accrued on trade receivables	201.99	201.99
Other Receivables	1.66	1.66
<b>Total</b>	<b>203.65</b>	<b>203.65</b>
<b>NOTE [13] - INVENTORIES</b>		
(At lower of cost and net realisable value)		
(As taken, valued and certified by the management)		
<b><u>Contract Work in Progress</u></b>		
Wind Farm Development	149.75	126.95
<b><u>Stores &amp; Spares</u></b>		
Stock-in-Trade, Loose Tools, Stores & Spares	203.47	190.26
<b><u>Securities [Unquoted]</u></b>		
Avinaya Resources Ltd	-	0.01
<b>Total</b>	<b>353.22</b>	<b>317.22</b>

**Notes forming part of the Consolidated Financial Statements**
**Rs. In Lakh**

Particulars	Amount 31.03.2013	Amount 31.03.2012
<b>NOTE [14] - TRADE RECEIVABLES</b>		
<b><u>Unsecured, considered good</u></b>		
Receivables outstanding for a period exceeding six months from the date they are due for	236.47	144.03
Other debts	292.33	1,054.03
<b>Total</b>	<b>528.80</b>	<b>1,198.06</b>
<b>NOTE [15] - CASH AND BANK BALANCE</b>		
(A) <u>Cash and Cash Equivalents</u>		
(a) Cash on hand	-	2.59
(b) Balance with banks :		
In Current accounts	71.40	97.85
<b>Group's share in Joint Venture</b>	1.11	1.01
Sub Total	72.51	101.45
(B) <u>Other Bank Balances</u>		
(a) Fixed Deposit with maturity more than 12 months	296.80	96.25
(b) Balance with banks		
In Unpaid Dividend accounts	3.03	1.63
Sub Total	299.83	97.88
<b>Total</b>	<b>372.34</b>	<b>199.33</b>
<b>NOTE [16] - SHORT TERM LOANS AND ADVANCES</b>		
<b><u>Unsecured, considered good</u></b>		
Loans and advances to related parties	0.73	12.77
Income Tax and Tax Deducted at Source	45.34	44.97
Advances Recoverable	147.60	125.99
Prepaid Expenses	23.87	28.78
Other loans and advances	47.14	13.13
<b>Group's share in Joint Venture</b>	8.75	0.86
<b>Total</b>	<b>273.42</b>	<b>226.50</b>
<b>NOTE [17] - OTHER CURRENT ASSETS</b>		
<b><u>Unsecured, considered good</u></b>		
Expense Reimbursable	-	39.24
Other Receivables	-	292.00
<b>Total</b>	<b>-</b>	<b>331.24</b>

**Notes forming part of the Consolidated Financial Statements**
**Rs. In Lakh**

Particulars	Amount 31.03.2013	Amount 31.03.2012
<b>NOTE [18] - REVENUE FROM OPERATION</b>		
Sales of Products	2,810.86	2,508.21
Other Operating Income	359.76	181.14
<b>Total</b>	<b>3,170.62</b>	<b>2,689.35</b>
<b>NOTE [18.1]</b>		
<u>Sales of Products comprises</u>		
Sale of Power / Products	2,732.95	2,399.61
Sale of Services	77.91	108.60
	<b>2,810.86</b>	<b>2,508.21</b>
<b>NOTE [18.2]</b>		
<u>Other Operating Income comprises</u>		
Sale of Entitlement from Wind Power	359.76	181.14
	<b>359.76</b>	<b>181.14</b>
<b>NOTE [19] - OTHER INCOME</b>		
Interest	108.26	18.70
Dividend	0.21	0.21
Liquidated Damages	-	292.00
Others	14.08	1.62
<b>Group's share in Joint Venture</b>	0.04	-
<b>Total</b>	<b>122.58</b>	<b>312.53</b>
<b>NOTE [19.1]</b>		
<u>Interest Income comprises</u>		
Interest on loans and advances	263.92	21.37
Interest from banks on deposits	24.55	-
Interest on overdue trade receivables	-	201.99
Interest on others	0.30	0.08
<b>Total</b>	<b>288.77</b>	<b>223.44</b>
<b>NOTE [20] - PURCHASES OF TRADED GOODS</b>		
<u>Components</u>		
Indigenous	54.58	44.79
Imported	0.99	13.79
<b>Total</b>	<b>55.57</b>	<b>58.58</b>



**Notes forming part of the Consolidated Financial Statements**
**Rs. In Lakh**

Particulars	Amount 31.03.2013	Amount 31.03.2012
<b>NOTE [21] - OPERATING &amp; MAINTENANCE COST</b>		
Energy / Open Access Charges / Stores & Spares	251.80	109.97
Operations & Maintenance	402.74	317.53
Others	39.88	27.91
<b>Total</b>	<b>694.42</b>	<b>455.41</b>
<b>NOTE [22] - EMPLOYEE BENEFITS</b>		
Salaries, Wages and Bonus	315.31	262.68
Contribution to Provident Funds and Other Funds	29.34	8.52
Staff Welfare Expenses	13.24	11.91
<b>Total</b>	<b>357.88</b>	<b>283.11</b>
<b>NOTE [23] - FINANCE COSTS</b>		
(a) Interest Expense on		
Secured Loans	1,013.98	635.10
Unsecured Loans	169.42	267.69
Others	18.33	1.11
(b) Other Borrowing Cost	2.83	54.56
<b>Total</b>	<b>1,204.55</b>	<b>958.46</b>
<b>NOTE [24] - OTHER EXPENSES</b>		
Audit Fees	4.11	3.91
Conveyance & Travelling Expense	26.15	17.58
Donation	7.85	
Electricity Expense	3.96	3.35
Insurance Charges	50.55	75.50
Legal & Professional Charges	56.99	40.85
Rent	35.92	32.13
Rates & Taxes	4.86	3.86
Repairs & Maintenance	3.25	5.14
Security Services	9.20	7.04
Miscellaneous Expenses	89.77	58.18
<b>Group's share in Joint Venture</b>	<b>0.38</b>	<b>0.12</b>
<b>Total</b>	<b>292.98</b>	<b>247.65</b>
<b>NOTE [24.1]</b>		
<b>Payments to the Auditors</b>		
For Audit	4.05	3.91
For other Services	-	-
<b>Group's share in Joint Venture</b>	<b>0.06</b>	<b>-</b>
	<b>4.11</b>	<b>3.91</b>

**NOTE [25]****Notes forming part of the Consolidated Financial Accounts****1 Significant Accounting Policies :****(a) Basis of Preparation**

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

**(b) Basis of Consolidation**

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

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

**(c) Income**

- i Income from Sale of Power is recognized on the basis of meter reading recorded and confirmed by the Electricity Board authorities upto the last month of the financial year.
- ii Interest Income is accounted for on time accrual basis.

**(d) Expenditure**

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

**(e) Fixed Assets**

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

**(f) Depreciation**

i Depreciation on assets is provided on the straight line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

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

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

iv The depreciation of fixed assets of a subsidiary company is provided for on WDV method at the rates specified in Schedule XIV of the Companies Act 1956.

**(g) Investments**

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

**(h) Inventories**

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

**(i) Amortization of Miscellaneous Expenditure**

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

**Notes forming part of the Consolidated Financial Accounts**
**(j) Employee Benefits**

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

**(k) Taxation**

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

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

**(l) Foreign Currency Transaction:**

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

		Rs in Lakh	
		31.03.2013	31.03.2012
2	<b>Contingent Liabilities - Bank Guarantee</b>	24.25	24.25
3	<b>(a) Earnings in Foreign Exchange</b>		
	Sale of Entitlement from Wind Power	90.78	-
	<b>(b) Expenditure in Foreign Exchange</b>		
	Consultancy Fees	9.07	-
4	Estimated amount of contracts remaining to be executed on capital account not provided for [Net of Advances] Rs Nil [Previous Year Rs.26.72 Lakh]		

**5 Investment in Subsidiaries**

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

Sr. No.	Name of the Entity	Country of Incorporation	% of Holding
1	Almi Hydro Electric Projects Limited	India	100.00
2	Baledh Energy Projects Limited	India	100.00
3	Batot Hydro Power Limited	India	69.66
4	Brahmanvel Energy Limited	India	100.00
5	Greenweiz Projects Limited	India	55.21
6	Joiner Hydro Power Projects Limited	India	100.00
7	Khandesh Energy Projects Limited	India	100.00
8	Vajharpada Energy Limited	India	55.21

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

**Interest in Associates**

The Group's associates are

Sr. No.	Name of the Entity	Country of Incorporation	% of Holding
1	Parmatma Power Projects Private Limited	India	50.00

**Notes forming part of the Consolidated Financial Accounts**
**Carrying cost of Investment in Associates**

Sr. No.	Particulars	Parmatma Power Projects Pvt. Ltd.	
		31.03.2013	31.03.2012
1	No of Equity shares held	5000	5000
2	% of holding	50.00%	50.00%
3	Cost of Investment	0.53	0.53
4	Goodwill / (Capital Reserve) included in cost of Investment	0.19	0.19
5	Share in accumulated profit / (losses)	(0.21)	(0.10)
6	Share of increase in reserve during the year	-	-
7	Carrying cost	0.31	0.43

**Interest in Joint Ventures**

The Group's interests in jointly controlled entity of the Group is

Sr. No.	Name of the Entity	Country of Incorporation	% of Holding
1	Weizmann Energy Limited	India	50.00

**6 Deferred Tax**

The breakup of Net Deferred Tax Liability as on 31.03.2013 is as under:-

Rs. in Lakh

	31.03.2013	31.03.2012
<b>Deferred Tax Liabilities</b>		
Difference between Book and Tax Depreciation	2,369.05	2,366.40
<b>Sub Total (a) ==&gt;</b>	<b>2,369.05</b>	<b>2,366.40</b>
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation	263.03	-
Brought Forward Business Loss	168.93	-
Others	31.97	54.07
<b>Sub Total (b) ==&gt;</b>	<b>463.92</b>	<b>54.07</b>
<b>Net Deferred Tax Liability (a - b)</b>	<b>1,905.13</b>	<b>2,312.33</b>

**7 Earnings Per Share**

Rs. in Lakh

	31.03.2013	31.03.2012
Profit / (Loss) After Tax	(241.68)	42.72
Weighted Average number of Equity Shares	11569918	11569918
The Nominal Value Per Ordinary Share	10.00	10.00
Earnings Per Share (Basic & Diluted)	(2.09)	0.37

**Notes forming part of the Consolidated Financial Accounts**

- 8 Related Party Disclosures for the year ended 31.03.2013  
In accordance with the "Accounting Standard 18 – Related Party Disclosure" as per Companies (Accounting Standards) Rules, the Company has compiled and certified the required information as stated below:

A Related Party and their Relationship

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

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

Rs. in Lakh

Nature of Transaction	Key Management Personnel	
	31.03.2013	31.03.2012
<b>Remuneration</b>	<b>17.28</b>	<b>18.64</b>
G. N. Kamath	17.28	18.64

9 **Segment Information**

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

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

Signatures to the Notes 1 to 25 forming part of the **Consolidated Balance Sheet** as at 31.03.2013 and the **Statement of Consolidated Profit & Loss** for the year ended 31.03.2013

As per our report of even date attached

For and on behalf of the Board

For U. B. Sura & Co.  
Chartered Accountants

For Shyam C. Agrawal & Co.  
Chartered Accountants

D. G. Siraj  
(Chairman)

U. B. Sura  
Proprietor  
Membership No. 32026  
Firm Regn. No. 110620W  
Mumbai, Dated : 30.05.2013

Shyam C. Agrawal  
Proprietor  
Membership No. 31774  
Firm Regn. No. 110243W  
Mumbai, Dated : 30.05.2013

G. N. Kamath  
(Managing Director)

T. V. Subramanian  
(Head - Finance &  
Company Secretary)

Financial Particulars of Subsidiary Companies for Financial Year 2012-2013 requiring disclosure as per terms of exemption from attachment of Annual Accounts of the Subsidiaries granted by the Ministry of Corporate Affairs as per their circular

Rupees in Lakh

Particulars	Paid-up Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
Almi Hydro Electric Projects Ltd	5.00	-	87.37	87.37	-	0.27	0.02	-	0.02	-
Baledh Energy Projects Ltd	5.00	-	59.22	59.22	-	-	(0.61)	-	(0.61)	-
Batot Hydro Power Ltd	1,000.00	-	4,728.39	4,728.39	-	54.58	(628.00)	-	(411.59)	-
Brahmanvel Energy Ltd	5.00	6.49	120.27	120.27	-	-	(0.24)	-	(0.24)	-
Greenweiz Projects Ltd	5.00	-	74.58	74.58	-	0.28	(0.04)	-	(0.04)	-
Joiner Hydro Power Projects Ltd	5.00	4.52	63.63	63.63	-	-	(0.24)	-	(0.24)	-
Khandesh Energy Projects Ltd	495.00	209.53	791.00	791.00	497.12	132.58	(39.13)	(1.73)	(37.40)	-
Vajharpada Energy Ltd	5.00	-	18.51	18.51	-	-	(0.21)	-	(0.21)	-

## ELECTRONIC CLEARING SERVICE MANDATE FOR PAYMENT OF DIVIDEND ON EQUITY SHARES

(In case of physical shares – send to our Share transfer Agent)

(In case of demat shares – send to your depository participant)

Date :

To,  
Bighare Services Private Ltd  
Unit : Karma Energy Ltd  
E-2/3, Ansa Industrial Estate  
Saki Vihar Road, Saki Naka  
Andheri East,  
Mumbai – 400 071

1. Name of first shareholder ( in block letter) :
2. Address :
3. Registered Folio No. :  
(if shares are not dematerialized)
4. DP ID No. :
5. Client ID No. :
6. Particulars of Bank Account :
  - a) Bank Name :
  - b) Branch Name & City with Pin Code :
  - c) Account No. (as appearing on the cheque Book) :
  - d) Account Type (Please tick) :
 

SB	Current	Cash Credit
----	---------	-------------
  - e) 9 Digit MICR code of the Bank & Branch appearing on the cheque issued by the Bank :
 

--	--	--	--	--	--	--	--	--
  - f) IFSC Code :
- 7 Please attach a photo copy of a cheque leaf or a blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of the code numbers.

## DECLARATION

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reason of incomplete or incorrect information, I would not hold the Company or its registrar responsible. In case of ECS facility not being available for any reason, the account details provided above may be incorporated in the payment instrument.

Place :

Date :

\_\_\_\_\_  
Signature of the Shareholders

Certified that the particulars furnished above are correct as per our records.

Place :

Date :

\_\_\_\_\_  
Signature of the Banks's Officer

## Notes :

1. Kindly fill all columns. Incomplete forms shall not be entertained.
2. Please ignore this form, if the same is already submitted
3. In lieu of the Bank Certificate to be obtained, Shareholders can attach a Blank 'cancelled' cheque or a photocopy thereof.



**Registered Office :** Empire House, 214, Dr.D.N.Road, Ent.A.K.Nayak Marg, Fort, Mumbai - 400 001

## ATTENDANCE SLIP

I hereby record my presence at the **6<sup>th</sup> ANNUAL GENERAL MEETING** of the Company held on Monday, July 29, 2013 at 2.00 p.m. at Maharashtra Chamber of Commerce, Orion House, 6th Floor, Maharashtra Chamber of Commerce Path, Kalaghoda, Fort, Mumbai - 400 001.

Full Name of the Shareholder  
(in block Letters)

Signature of the Shareholder

Folio.No./DP-ID & Client ID No.

No. of shares held

Full Name of the Proxy  
(in block letters)

Signature of the Proxy

Note : Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.



**Registered Office :** Empire House, 214, Dr.D.N.Road, Ent.A.K.Nayak Marg, Fort, Mumbai - 400 001

REGD.FOLIONO. \_\_\_\_\_

DPID NO.\* \_\_\_\_\_

CLIENT ID\* \_\_\_\_\_

NO.OF SHARES HELD : \_\_\_\_\_

## PROXY FORM

I / We, \_\_\_\_\_ of \_\_\_\_\_

being a member / members of above named Company hereby appoint \_\_\_\_\_

of \_\_\_\_\_ or failing him / her \_\_\_\_\_ of \_\_\_\_\_

as my / our proxy to vote for me / us and on my / our behalf at the **6<sup>th</sup> ANNUAL GENERAL MEETING** of **KARMA ENERGY LTD** to be held on Monday, July 29, 2013 at 2.00 p.m. and at any adjournment thereof.

Affix  
Re.1  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013

Signature of the Shareholder(s)

\* Applicable for investors holding shares in electronic form.

Note : The Proxy form must be deposited at the Registered Office of the Company at Empire House, 214, Dr.D.N.Road, Ent.A.K.Nayak Marg, Fort, Mumbai - 400 001 not later than 48 hours before the time of holding the meeting. The Proxy need not be a member of the Company.



## BOOK-POST

If undelivered please return to:

**KARMA ENERGY LIMITED**

Empire House (Basement)

214, Dr. D.N. Road,

Ent. A. K. Nayak Marg, Fort

Mumbai - 400 001.