

BWR/BLR/MUM/SRC/NOM/8088/2019-20
31Mar 2020
Mr. Chetan Mehra

Director

Karma Energy Ltd.

Empire House #214,

Dr. D N Road,

Ent A K Nayak Marg,

Fort, Mumbai - 400 001

Dear Sir,

Sub: Annual Review of Rating for the enhanced Bank Loan Facilities of Karma Energy Ltd. amounting to Rs.34.31 Crs (INR Thirty-Four Crores and Thirty One Lakhs Only).
Ref: (i)Your mandate dated 05Mar2019

(ii) BWR/BLR/MUM/SRC/NOM/7170/2019-20 dated 16Mar2020, advising downgradation of rating to BWR BB+/Stable Issuer Not Cooperating for your bank loans.

 On review of **Karma Energy Ltd.'s** performance based on the information and clarifications provided by you, and as available in public sources, we hereby inform you that the ratings for the Bank Loan Facilities of your Company have been upgraded as follows:

Facility	Amount (Rs. Crs)		Tenure	Rating *	
	Previous	Present #		Previous (16 Mar 2020)	Present (31 Mar 2020)
Fund based Term Loans	4.34**	34.31**	Long Term	BWR BB+/Stable Issuer Not Cooperating	BWR BBB-/Stable Upgraded
Total	4.34	34.31	INR Thirty Four Crores and Thirty One Lakhs Only		

 *Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Annexure I shows the detailed facilities

**Outstanding



Karma Energy Ltd.

BWR/BLR/MUM/SRC/NOM/8088/2019-20

The Rating is valid for twelve months from the date of this letter and subject to terms and conditions that were agreed in your mandate dated 05Mar2019 and other correspondence, if any and Brickwork Ratings' standard disclaimer appended at the end of this letter. **You are requested to provide No Default statement on a monthly basis. Non submission of a monthly No Default statement leads to publishing your company's name on our website as 'No Default Statement'- not submitted.**

The rated Bank Loan Facilities would be under surveillance during the said period. You are required to submit information periodically as per Annexure-II for the purpose of surveillance/review. You are also required to keep us informed of any information/development that may affect your company's finances/performance without any delay.

We are also enclosing the Rating Rationale. Kindly acknowledge.

Best Regards,

Noman Agashiwala

**Associate Director – Ratings
Brickwork Ratings India Private Limited**

Note: Rating Rationale of all accepted Ratings are published on Brickwork Ratings website. All non-accepted ratings are also published on Brickwork Ratings web-site. Interested persons are well advised to refer to our website www.brickworkratings.com, If they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com.

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.



Karma Energy Ltd.
BWR/BLR/MUM/SRC/NOM/8088/2019-20

Annexure I
Details of Rated Bank Facilities

Bank	Name of Facility	Nature of Facility	Rated Amount (Rs.in Cr.)
HDFC Bank	Term Loan-1	Fund Based-Long Term	29.05*
	Term Loan-2		5.26*
		Total	34.31

*Outstanding

Annexure II

The following documents/ information should be submitted to BWR:

1. Confirmation from the Company that all the terms and conditions stipulated in the Bank's sanction letter has been fully complied with.
2. Certified copy of periodical book debts/bills receivables statements submitted to the bank.
3. Confirmation about payment of installment and interest as and when paid.
4. Schedule of Term Loan installments and Interest due and payment made so far, if any.
5. Certified copy of Quarterly Information Statements (QIS) and Half Yearly Information Statements (HYIS) submitted to the bank.
6. Certified copy of Banks' Statements of Accounts on a quarterly basis.
7. Quarterly / Half yearly financial statements (unaudited or with limited review) and Annual financial statements (provisional as well as audited).
8. Information on delays/defaults in servicing bank loans, letters of credit, letters of guarantee, NCDs, bonds and other borrowings, if any, by the Company as at the end of every month each year.
9. Information on delays / defaults in servicing of debt obligations of any subsidiary / other group companies, if any, as at the end of every month each year.
10. Any other statement / information sought by BWR from time to time.
11. All the aforesaid information shall be mailed to dat@brickworkratings.com.