

KEL/SEC/SKC/7/2022

July 6, 2022

BSE LTDPhiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.Scrip Code No. : **533451**Sub : **Submission of the Annual Report of the Company for the financial year ended 31st March, 2022.****Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Sirs,

The fifteenth Annual General Meeting of the Company is scheduled to be held on Thursday, 28th July, 2022 at 14:00 hrs IST through Video Conference (VC) / Other Audio Visual Means (OAVM). The Company has engaged services of National Depository Services Ltd (NSDL) for providing E-voting services and VC/OAVM facility for this AGM. Details of e-voting are as follows :

Cut-off date for determining eligibility for the remote e-voting & e-voting at AGM as well as Record date for the purpose of AGM	21 st July, 2022 (Thursday)
e-voting start date and time	25 th July, 2022 (Monday)
e-voting end date and time	27 th July, 2022 (Wednesday)

In terms of regulation 34 of the SEBI (Listing Obligations and disclosure requirement Regulations, 2015 (SEBI LODR) the copy of the 15th Annual Report along with the Notice of the 15th AGM dated May 27, 2022 being sent to the shareholders of the Company is enclosed herewith and the same is available on the website of the Company at www.karmaenergy.co

We request you to take the above on record as compliance with relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) and disseminate to the stakeholders.

Kindly acknowledge the receipt.

Thanking you,
For **KARMA ENERGY LIMITED**

T V Subramanian
CFO & Company Secretary

KARMA ENERGY LIMITED**Regd. Off.** Empire House, 214, Dr. D. N. Road, Ent. A. K. Nayak Marg, Fort, Mumbai – 400 001Tel Nos. 22071501 (6 Lines), Fax : 22071514, Email : karmaenergy@weizmann.co.inwww.karmaenergy.co . CIN L31101MH2007PLC168823



(Corporate Identity Number : L31101MH2007PLC168823)

**15th Annual Report
2021-2022**

KARMA ENERGY LIMITED ANNUAL REPORT 2021-2022

BOARD OF DIRECTORS

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

BANKERS

HDFC Bank

AUDITORS

M/s Batliboi and Purohit, Chartered Accountants

REGISTERED OFFICE

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

WIND POWER PLANTS

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

“Shareholders are requested to be part of the green initiative and avail copies of Annual Report and other intimations electronically through email and hence request to share your email ID along with Folio number to investorshelpdesk@weizmann.co.in”

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NOTICE

Notice is hereby given that the 15th Annual General Meeting of the Members of KARMA ENERGY LIMITED will be held on Thursday, July 28, 2022 at 2.00 p.m. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2022 on standalone and consolidated basis together with the report of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Neelkamal Vrajlal Siraj (holding DIN 00021986), who retires by rotation and, being eligible, offers himself for re- appointment.
3. To re-appoint M/s. Batliboi & Purohit, Chartered Accountants as statutory auditors of the Company and to fix their remuneration.

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

“RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Batliboi & Purohit, Chartered Accountants, having registration No. 101048W be and are hereby re-appointed as the Statutory Auditors of the Company for term of five consecutive years, who shall hold office from the conclusion of this 15th Annual General Meeting till the conclusion of the 20th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

SPECIAL BUSINESS

4. Re-appointment of Shri Balady Shekar Shetty (DIN: 01262317) as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Shri Balady Shekar Shetty (DIN: 01262317), as an Independent Director of the Company for second and final term of five years commencing from the date of members’ approval at this 15th Annual General Meeting till the conclusion of 20th Annual General Meeting proposed to be held in the year 2027;

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Mr. Balady Shekar Shetty (DIN: 01262317) as an Independent Director of the Company.”

5. Re-appointment of Smt Smita Vinesh Davda (DIN: 00050218) as an Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of sections 149, 152, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to re-appoint Smt Smita Vinesh Davda (DIN: 00050218), as an Independent Director of the Company for second and final term of five years commencing from the date of members’ approval at this 15th Annual General Meeting till the conclusion of 20th Annual General Meeting proposed to be held in the year 2027;

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Smt Smita Vinesh Davda (DIN: 00050218) as an Independent Director of the Company.”

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

RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force, read with Schedule V to the Companies Act, 2013, the consent of the Company be and is hereby accorded to the re-appointment of Shri Ganesh N. Kamath (holding DIN : 00040805), who was re-appointed as Managing Director by the Board of Directors with effect from 1st December, 2021 under the Articles of Association of the Company for a term of 1 year effective from 1st December, 2021 for a term of 1 year until 30th November, 2022, on the terms and conditions of appointment and remuneration as contained in the agreement entered into between the company and Shri Ganesh N. Kamath and the Board of Directors be and are hereby authorized to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 as may be agreed to by the Board of Directors and Shri Kamath.

By Order of the Board

Place : Mumbai

Date : 27th May, 2022

T. V. Subramanian
CFO & Company Secretary

NOTES :

- 1) In view of measures in place to curb the effect of the pandemic viz COVID-19, the Ministry of Corporate Affairs (MCA), Government of India, has vide its Circular No. 2/2022 dated 05th May 2022, in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021, in relation to “relaxation from compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - Covid-19 pandemic” (“SEBI Circular”) have permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 (the “Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the “Rules”), as amended from time to time, read with the MCA Circulars, SEBI Circular and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) the Annual General Meeting (“AGM”) of the Company is scheduled to be held on Thursday, July 28, 2022, 02:00 p.m.(IST) through VC/OAVM and the voting for items to be transacted in the Notice to this AGM only through remote electronic voting process (“e-Voting”).
- 2) As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated 5th May 2020, the matters of Special Business as appearing at Item Nos. 3 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
- 3) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto

- 4) PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCESLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
- 5) In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
- 6) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 7) The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's ("NSDL") e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Members on a first come first served basis as per the MCA Circulars.
- 8) Further, due to non-availability of postal and courier services, on account of the threat posed by COVID-19 and in terms of the MCA Circulars and the SEBI Circular, the Company is sending this AGM Notice along with the Annual Report for FY22 in electronic form only to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the AGM and the Annual Report for FY22 has been uploaded on the website of the Company at www.karmaenergy.co and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.
- 9) In terms of Section 152 of the Companies Act, 2013, Shri Neelkamal Vrajlal Siraj (DIN : 00021986) Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The Board of Directors of the Company recommends re-appointment of Shri Neelkamal Vrajlal Siraj

- 10) Information of Directors recommended for re-appointment at the Annual General Meeting in terms of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms integral part of the notice. The Directors have furnished the requisite declarations for their re-appointment. Information on Directors recommended for appointment / re-appointment at the Annual General Meeting in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re- appointment.
- 11) The Register of Members and Share Transfer Books of the Company will be closed on July 21, 2022 for the purpose of Annual General Meeting.
- 12) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent, Bigshare Services Private Limited for assistance in this regard.
- 13) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to Bigshare Services Private Ltd in case the shares are held in physical form.
- 14) Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, have been transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends have also been transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends / Shares, if any from the Authority by following due process. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.
- 15) Members desiring inspection of statutory registers during the AGM may send their request in writing to the Company at investorshelpdesk@weizmann.co.in
- 16) Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to investorshelpdesk@weizmann.co.in up to the date of the AGM.
- 17) This AGM Notice is being sent by e-mail only to those eligible Members who have already registered their e- mail address with the Depositories/the DP/the Company's RTA/the Company or who will register their e-mail address with Bigshare Services Private Ltd, on or before 5:00 p.m. (IST) on Thursday day, 21st July, 2022.
- 18) To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangement with Bigshare Services Pvt. Ltd for registration of e-mail addresses in terms of the MCA Circulars. Eligible Members who have not submitted their e-mail address to Bigshare, are required to provide their e-mail address to the RTA, on or before 5:00 p.m. (IST) on Thursday, 21st July, 2022 pursuant to which, any Member may receive on the e-mail address provided by the Member the Annual Report for FY22 and the procedure for remote e-Voting along with the login ID and password for remote e-Voting. The process for registration of e-mail address is as under:

a. For Members who hold shares in Electronic form:

- a) Visit the link <https://www.bigshareonline.com/InvestorRegistration.aspx>
- b) Select Company name from drop down list
- c) Enter the DP ID & Client ID and PAN.
- d) Enter your e-mail address and mobile number.
- e) An OTP would be sent on the mobile number and email id.
- f) Once OTP is entered the email id would be registered.

b. For Members who hold shares in Physical form:

- a) Visit the link <https://www.bigshareonline.com/InvestorRegistration.aspx>
- b) Select Company name from drop down list
- c) Enter the Folio No and PAN.
- d) Enter your e-mail address and mobile number.
- e) An OTP would be sent on the mobile number and email id.
- f) Once OTP is entered the email id would be registered.

- 19) After successful submission of the e-mail address, NSDL will e-mail a copy of the Annual Report for FY22 along with the remote e-Voting user ID and password, within 48 hours of successful registration of the e-mail address by the Member. In case of any queries, Members may write to investor@bigshareonline.com or evoting@nsdl.co.in.
- 20) For permanent registration of their e-mail address, Members are requested to register their e-mail address, in respect of electronic holdings, with their concerned DP and in respect of physical holdings, with the RTA.
- 21) Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their DP/RTA to enable servicing of notices / documents/Annual Reports and other communications electronically to their e-mail address in future.
- 22) Process and manner for Members opting for e-Voting is, as under:-
 - a. In compliance with the provisions of Sections 108 and other applicable provisions of the Act, read with Rule 20 of the Rules and Regulation 44 of the Listing Regulations, the Company is offering only e-Voting facility to all the Members of the company and the business will be transacted only through the electronic voting system. The Company has engaged the services of NSDL for facilitating e-Voting to enable the Members to cast their votes electronically as well as for e-Voting during the AGM.

Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if it / they have been passed at the AGM.

- b. Members are provided with the facility for voting through Voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM.
- c. Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.
- d. **Members of the Company holding shares either in physical form or electronic form as on the cut-off date of Thursday, 21st July, 2022, may cast their vote by remote e-Voting. The remote e-Voting period commences on Monday 25th July, 2022 at 9:00 a.m. (IST) and ends on Wednesday, 27th July, 2022 at 5:00 p.m. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.**
- e. The instructions for Members attending the AGM through VC/OAVM are as under:
 1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular No. 2/2022 dated May 05, 2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
 2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
 3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
 4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an

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agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.karmaenergy.co. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsd.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021 and Circular No.2/2022 dated May 5, 2022.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, July 25, 2022 at 09:00 A.M. and ends on Wednesday, July 27, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. July 21, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being July 21, 2022.

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

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




Step 1: Access to NSDL e-Voting system

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1.Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services.

	<p>Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3.Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="794 1778 1295 2072" style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password.</p>

	<p>Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <ol style="list-style-type: none"> 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 120327 then user ID is 120327001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

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

c) How to retrieve your 'initial password'?

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

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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

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

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

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

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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

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

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

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investorshelpdesk@weizmann.co.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investorshelpdesk@weizmann.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their

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respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investorshelpdesk@weizmann.co.in. The same will be replied by the company suitably.
6. If you wish to speak or express your views or ask questions during the AGM, then you may register yourself as speaker by sending an email to investorshelpdesk@weizmann.co.in with the subject "Speaker Registration" during the period from Friday, 22nd July, 2022 to Monday 25th July, 2022. Only those members who have registered as Speakers will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mferraocs@gmail.com with a copy marked to evoting@nsdl.co.in.
 - 2.It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 - 3.In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e- voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800- 222-990 or send a request at evoting@nsdl.co.in
- f. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 21st July, 2022.
- g. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e.21st July, 2022 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company/RTA.
- h. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e- Voting, as well as voting at the meeting.
- i. The Board of Directors has appointed Mr. Martinho Ferrao (FCS 6221) of M/s. Martinho Ferrao & Associates, Company Secretaries as Scrutinizer to scrutinize the voting at the AGM and remote e- Voting process, in a fair and transparent manner.
- j. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
- k. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM and, thereafter, unblock the votes cast through remote e-Voting and shall make, not later than 48 hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall

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countersign the same and declare the result of the voting forthwith.

- l. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.karmaenergy.co and on the website of NSDL www.evoting.nsdl.com, immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and NSE and be made available on their respective websites viz. www.bseindia.com and www.nseindia.com.
- m. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. July 21, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. July 21, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

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

The following explanatory statement sets out all the material facts relating to the Special Business under item No. 4 TO 6 of the accompanying notice dated 27th May 2022.

In respect of item No.3 : To re-appoint M/s. Batliboi & Purohit, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.

M/s. Batliboi & Purohit, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 10th Annual General Meeting ('AGM') held on August 23, 2017 for a period of 5 years, up to the conclusion of 15th AGM. M/s. Batliboi & Purohit are eligible for re-appointment for a further period of 5 years. M/s. Batliboi & Purohit have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. Batliboi & Purohit have confirmed that they are eligible for the proposed re-appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. As confirmed to Audit Committee and stated in their report on financial statements, the Auditors have reported their independence from the Company according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit. Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint M/s. Batliboi & Purohit, Chartered Accountants, having registration No. 101048W, as the Statutory Auditors of the Company for the second and final term of five consecutive years, who shall hold office from the conclusion of this 15th AGM till the conclusion of the 20th AGM of the Company. The Board of Directors has approved a remuneration of Rs.4.00 Lakh for conducting the audit for the financial year 2021-22, excluding applicable taxes and reimbursement of out-of-pocket expenses on actuals. The remuneration proposed to be paid to the Statutory Auditors during their second and final term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

M/s Batliboi & Purohit is a member entity registered with the ICAI. The firm is a multi-disciplinary Audit Firm catering to various clients in diverse sectors. The firm holds the 'Peer Review' certificate as issued by 'ICAI'. The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

In respect of item No.4 & 5 : To re-appoint Shri Balady Shekar Shetty (DIN: 01262317) and Smt. Smita Vinesh Davda (Din : 00050218) as an Independent Directors of the Company.

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report. Shri Balady Shekar Shetty (DIN: 01262317) and Smt. Smita Vinesh Davda (DIN : 00050218) were appointed as an Independent Directors of the Company with

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the approval of shareholders at the Annual General Meeting ('AGM') of the Company held on August 23, 2017 and August 7, 2018 respectively for a tenure of 5 years until the conclusion of the 20th AGM. Based on their skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee at its meeting held on May 27, 2022, the Board, in line with the Company's policy on Director's appointment and remuneration has proposed the re-appointment of Shri Balady Shekar Shetty and Smt. Smita Vinesh Davda as an Independent Directors for a second and final term of five years from the conclusion of this 15th AGM up to the conclusion of 20th AGM to be held in the year 2027. The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member signifying his intention to propose the candidature of Shri Balady Shekar Shetty (DIN: 01262317) and Smt Smita Vinesh Davda (DIN:00050218) as an Independent Directors, to be re-appointed under the provisions of Section 149(10) of the Act. The Company has received requisite consent/declarations for appointment of Shri Balady Shekar Shetty and Smt Smita Vinesh Davda as Independent Directors as required under the Act and rules made thereunder. In the opinion of the Board and based on the Board's evaluation, Shri Balady Shekar Shetty and Smt Smita Vinesh Davda fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for their re-appointment as an Independent Director from the Company and that they are independent of the Management. A copy of the draft letter for the re-appointment of Shri Balady Shekar Shetty and Smt Smita Vinesh Davda as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on all working days except Saturdays and Sundays up to the date of ensuing AGM. The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Shri Balady Shekar Shetty and Smt Smita Vinesh Davda as an Independent Directors, the Board recommends the resolution set forth in Item No. 4 & 5 relating to the re-appointment of Shri Balady Shekar Shetty and Smt Smita Vinesh Davda as an Independent Director of the Company, who shall not be liable to retire by rotation, by way of Special Resolution. In compliance with the general circular number 20/2020 dated May 5, 2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

A brief profile and other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 issued by ICSI is provided as Annexure to this Notice. Except Shri Balady Shekar Shetty and Smt Smita Vinesh Davda, no other director(s) and Key Managerial Personnel(s) or their relatives, are in any way, concerned or interested, financially or otherwise, in this resolution.

In respect of item No.6 : To re-appoint Shri Ganesh N Kamath (DIN : 00040805) as Managing Director of the Company.

The Board of Directors at their meeting held on November 12, 2021 re- appointed Shri Ganesh N. Kamath as Managing Director of the Company subject to necessary approvals for the period effective from 1st December, 2021 for a period of one year until 30th November, 2022. Shri Ganesh Kamath is a BE (Mech) from IIT, Mumbai.

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

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

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

Period of Agreement : One year from 01st December, 2021 until 30th November, 2022

Remuneration payable :

a)	Salary	:	Rs.17,28,000/- p.a
b)	House Rent Allowance	:	Rs. 3,84,000/- p.a
c)	Leave travel assistance	:	Rs. 36,000/- p.a
d)	Provident Fund	:	12 % of Basic salary i.e Rs.2,07,360/- p.a
i)	Personal Accident Insurance	:	As per rules of the Company
ii)	Medical Insurance	:	As per rules of the Company
iii)	Gratuity	:	Half month's basic salary for each completed year of service.
iv)	Leave encashment	:	At the end of the tenure and computation based on basic salary and the same shall not be considered in computing ceiling on perquisites.
v)	Leave	:	As per the applicable rules of the Company.
vi)	Company's Car with Driver	:	Permitted for the business of the Company.
vii)	Telephone facility	:	Free Telephone at residence, personal long distance calls to be billed at actuals.

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

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

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

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Board recommends the Special Resolution set out at item No.3 of the accompanying notice for the approval of the members.

By Order of the Board

Place : Mumbai

Date : 27th May 2022

T. V. Subramanian
CFO & Company Secretary

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

Particulars	Shri Neelkamal Vrajlal Siraj	Shri Ganesh N. Kamath
Date of Birth	25 th June, 1958	14 th September, 1942
Date of Appointment	26 th August, 2010	15 th March, 2007
Qualifications	Commerce Graduate	BE (Mechanical)
Expertise in specific functional areas	Wide experience in textile processing and exports, and Power projects	Shri Ganesh Kamath has over 55 years of experience in engineering Industry and was associated with multi-national companies like Hindustan Lever and Johnson & Johnson, Windia Power Limited, Greenweiz Projects Limited and Karma Energy Limited in various positions in Production Management and General Management. Has done project work on Wind Electric Generators and Wind Farm Development and associated with development of the Sector for over 55 years.
Directorships held on other Public Companies (Excluding foreign companies and Section 8 companies)	<ul style="list-style-type: none"> • Brahmanvel Energy Ltd • Khandesh Energy Projects Ltd • Siul-Baroti Hydro Projects Ltd • Weizmann Corporate Services Ltd • Weizmann International Ltd • Weizmann Ltd 	<ul style="list-style-type: none"> • Joiner Hydro Power Projects Ltd • Khandesh Energy Projects Ltd • Kombai Mettu Energy Projects Ltd • Siul Baroti Hydro Projects Ltd • Tapi Energy Projects Ltd • Windia Infrastructure Finance Ltd
Name of Listed entities from which resigned in the past three years	Weizmann Forex Ltd	Weizmann Ltd
Memberships / Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders' Committee)	Member of Stake holders Relationship committee of Weizmann Ltd	Nil
Number of Shares held in the Company including shareholding as a beneficial owner	Nil	Nil

The aforesaid Directors are not related to any other Directors

Particulars	Shri Balady Shekar Shetty	Smt Smita Vinesh Davda
Date of Birth	10 th March, 1952	06 th March, 1962
Date of Appointment	24 th May, 2017	13 th February, 2015
Qualifications	Commerce Graduate, CAIIB, LLB & ACS	Commerce Graduate
Expertise in specific functional areas	vast experience in Administration, Finance, Full-fledged Money Changers, Treasury & Wind Projects.	She has over 30 years of experience in the Records and Information Management industry spanning business analytics, technology, operations and business development.
Directorships held on other Public Companies (Excluding foreign companies and Section 8 companies)	<ul style="list-style-type: none"> • Avinaya Resources Ltd • Kombai Mettu Energy Projects Ltd • Quick Forex Ltd • Supportive Insurance Brokers Ltd • Siul-Baroti Hydro Projects Ltd • Weizmann Ltd • Weizmann Digital Ltd • Weizmann Impex Service Enterprise Ltd • Windia Infrastructure Finance Ltd 	<ul style="list-style-type: none"> • Tapi Energy Projects Ltd • Weizmann Ltd • Weizmann Impex Service Enterprise Ltd
Name of Listed entities from which resigned in the past three years	-	Weizmann Forex Ltd
Memberships / Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders' Committee)	Member of Audit Committee of Weizmann Ltd, Windia Infrastructure Finance Ltd, Weizmann Digital Ltd and Weizmann Impex Service Enterprise Ltd.	Member of Audit Committee of Weizmann Ltd, Tapi Energy Projects Ltd and Weizmann Impex Service Enterprise Ltd Member of Stake holders Relationship committee of Weizmann Ltd
Number of Shares held in the Company including shareholding as a beneficial owner	133 Equity Shares	

The aforesaid Directors are not related to any other Directors

DIRECTORS' REPORT

TO THE MEMBERS OF KARMA ENERGY LIMITED

The Directors are pleased to present this **Fifteenth** Annual Report and the Audited Statement of Accounts for the year ended March 31, 2022.

1. FINANCIAL RESULTS

(Rs. in lakh)

Particulars	2021-2022	2020-2021
Total Income including exceptional items	2848.64	2355.48
Profit / (Loss) Before Depreciation	283.05	(657.92)
Less : Depreciation	509.13	511.04
Profit / (Loss) Before Tax	(226.08)	(1168.96)
Less : Income Tax	94.86	0.02
Less : Deferred Tax	(108.32)	(99.87)
Profit / (Loss) After Tax	(212.62)	(1069.11)
Other Comprehensive Income Net of Tax	(22.09)	(328.32)
Total Comprehensive Income for the year	(234.71)	(1397.43)

The figures for FY 2020-21 in including the effect of merger of the subsidiary Greenweiz Projects Ltd from the appointed date 01.04.2019 for which NCLT sanction was received during the year. Further the consolidated Financial Statements of the Company and its subsidiaries and associates, prepared in accordance with Indian Accounting Standards (IND AS) including the Rules notified under the relevant provisions of the Companies Act, 2013, form part of the Annual Report and Accounts.

2. DIVIDEND AND RESERVES

Your Directors have not recommended dividend (previous year Rs. NIL per share) for financial year 2021-22 on account of the loss registered and need to conserve the resources as the payments from the utilities have been considerably delayed in all the states where the company is selling power to state utilities and regulatory changes are adversely affecting the revenues.

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No amounts have been transferred to Reserves during the year.

3. SHARE CAPITAL

The Paid- Up Equity Capital of the Company as on 31.03.2022 is Rs.11,56,99,180/-
The company has not issued any new equity shares during the year.

4. FIXED DEPOSITS

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

5. PERFORMANCE

During the year the Total Income of the Company was Rs 2848.64 Lakh as compared to Rs.2355.48 Lakh in the previous year. The primary reasons for increase have been sale of Renewable Energy Certificates (RECs).

The Profit before depreciation registered was Rs. 283.05 Lakh (Previous year Loss of Rs.657.92 Lakh). The Loss after Tax was Rs. 212.62 Lakh (Previous year Loss of Rs.1069.11 Lakh). As per the IND AS other comprehensive loss for the year 2021-2022 was Rs. 22.09 Lakh (Previous year loss of Rs. 328.32 Lakh) and total comprehensive loss for the year was Rs. 234.71 Lakh (Previous Year loss of Rs. Rs.1397.43 Lakh). The company has not transferred any amount to Reserves during the year.

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

With respect to realization of generation proceeds from state utilities, there was marginal improvement as Central Government in its booster to the Economy extended soft loans to State utilities so they could clear some part dues. As far as Company's Wind Electric Generators (WEGs) in Maharashtra is concerned, the open access charges have been on the rise for past 3-4 years compounded with restriction on Banking to one month as against 12 months which was in vogue for more than two decades and also the introduction of forecasting and scheduling for every 15 minutes time block and deviations resulting in levy of penalties. The single most factor which could somewhat offset the sky rocketing Open Access charges could have been the sustenance of REC pricing regulations, but unfortunately

CERC deprived the developers of the same too by reducing the forbearance and floor prices for REC to abysmally low levels and even stipulating “Zero” floor price resulting in trading in RECs coming to a grinding halt since June 2020 and matters were under litigation and with Hon’ble APTEL setting aside the CERC Regulations, the trading commenced in November 2021. With the Company, now selling power to State utility in Maharashtra, no further RECs can be availed as per the relevant REC Regulations.

In respect of Company’s WEGs in Andhra Pradesh is concerned, the rough weather continues. The generation proceeds received only at 50% of the tariff for the period January 2011 to May 2014 has been held up due to the state bifurcation imbroglio and the matter now is pending before CERC after AP High Court rejected the writ petition.

6. SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES

Your company had 2 subsidiary companies viz. Batot Hydro Power Ltd and Greenweiz Projects Limited of which Greenweiz Projects Limited was merged with Company from April 1, 2019 as per Scheme of Amalgamation sanctioned by NCLT vide their Order of 15.07.2021 and the Company had sold their entire Equity in Batot in February 2022 after requisite compliances. Hence now the Company does not have any subsidiary or associate companies.

In accordance with Section 136 of the Companies Act, 2013 read with Rule 10 of The Companies (Accounts) Rules, 2014, a company may forward statement of accounts containing the salient features in the prescribed form and simultaneously ensure that copies of the financial statements including consolidated financial statements along with Auditors Report, Directors Report and other documents that is required to be attached of annexed with the financial statements are made available for inspection at the registered office of the company, during working hours for a minimum period of 21 days prior to the meeting of the shareholders. Accordingly Accounts in the prescribed Form are being forwarded to all the members of the company with complete set of financial statements being available on the website of the company www.karmaenergy.com. Also salient features in the financial statement of subsidiaries, associate companies, joint ventures compiled in Form AOC-1 of the subject Rules are attached to the financial statements.

7. DIRECTORS AND KEY MANAGEMENT PERSONNEL

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company the Director Neelkamal V Siraj retires by rotation and, being eligible has offered himself for re-appointment.

The Managing Director of the company Mr. G N Kamath was re-appointed for a period of one year with effect from 1st December 2021 subject to approval of shareholders by special resolution and the ensuing Annual General Meeting. The confirmation of re-appointment of Mr. G N Kamath as Managing Director for a period of one year and above would be included in Notice to the ensuing AGM.

The Company had pursuant to Section 149(10) read with Section 152 of the Companies Act, 2013 has three independent directors viz. Shri K M Vussonji, Shri B S Shetty and Smt. Smita V Davda who were / are appointed for a term of five consecutive years at the relevant Annual General Meetings. As tenure of Shri B S Shetty and Smt. Smita V Davda is expiring at the ensuing AGM of FY 2022, the Board has recommended their re-appointment for another five years till AGM of FY 2027.

The Board of Directors had five board meetings during financial year 2020-21.

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

8. COMMITTEES

The Audit Committee members are -

Mr. B S Shetty – Independent Director	- Chairman
Mr. Kishore M Vussonji– Independent Director	- Member
Smt. Smita V Davda – Independent Director	- Member

The Nomination and Remuneration Committee members are :

Mr. Kishore M Vussonji- Independent Director	- Chairman
Mr. D G Siraj– Non Independent Director	- Member
Smt. Smita V Davda– Independent Director	- Member

The Stakeholders Relationship Committee members are -

Mr. Chetan D Mehra- Non Independent Director - Chairman

Mr. D G Siraj– Non Independent Director - Member

Smt. Smita V Davda– Independent Director - Member

8a. The Board of Directors had accepted all the recommendations of the Audit Committee during the Financial Year.

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

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

10. FAMILIARISATION PROGRAMME ARRANGED FOR INDEPENDENT DIRECTORS

The company as required under Schedule IV of the Companies Act, 2013 and Listing Regulations has made arrangement to facilitate the independent directors to familiarize with the operations of the company, their roles, rights, responsibilities as Directors of the company considering the nature of the industry in which the company operates, business model of the company, etc. The above aspect can be accessed by web link <http://www.karmaenergy.co/fid.html> The Company during Board Meetings itself updates all the Directors including Independent Directors on every aspect of the operations of the Company.

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

An extract of Annual Return as at 31.03.2022 pursuant to section 92(3) of the Companies Act, 2013 have been uploaded on the website of the Company and can be accessed by web link <http://www.karmaenergy.co/ar.html>

12. DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

The Board confirms the receipt of statement of declaration from independent directors u/s. 149(7) of the Companies Act, 2013 on the matters of criteria of independent Director u/s. 149(6) of the Act. Further Independent Directors have complied with code for independent Directors prescribed in Schedule IV to the Act.

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

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

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

The Independent Directors shall be governed by Code of Conduct detailed in Schedule IV of the Companies Act, 2013.

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

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

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

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

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits, top 10 employees in terms of remuneration drawn and other Disclosures pertaining to remuneration are set out in the said rules are provided in the Annual Report as Annexure-V.

Having regard to the provisions of the proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company.

The said information can be made available to any member interested in obtaining such information on request in writing to the Company Secretary.

16. DISCLOSURE OF PARTICULARS

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

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

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

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

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

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

The transactions with the Related Parties are at arm's length basis and these transactions are not of material in nature as per Section 188 of the Companies Act,

2013 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014. The related party transactions are placed before the Audit Committee as also the Board for approval.

19. POLICY ON RELATED PARTY TRANSACTIONS

The Company has framed a policy on related party transactions and the same has been hosted on its website <http://www.karmaenergy.co/rptp.html>

The policy includes the specific transactions requiring prior approval of the Audit Committee, the Board of Directors, Special Resolution by members at General Meeting, determining the materiality of the transaction with the related party both under Companies Act and Listing Regulations, and also the procedures to be followed in complying with the statutory provisions in respect of related party transaction, if any.

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

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

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

21. CORPORATE SOCIAL RESPONSIBILITY OF THE COMPANY

The statutory requirement of complying with Corporate Social Responsibility of the Companies Act, 2013 is not applicable to the company during F.Y. 2021-22.

22. ESTABLISHMENT OF VIGIL MECHANISM

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

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

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

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

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

25. DETAILS IN RESEPECT OF ADEQUACY OF INTERNAL CONTROLS WITH RESPECT TO THE FINANCIAL STATEMENTS

The company has an internal control system commensurate with the size, scale and nature of its operation.

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

26. ISSUE OF NEW EQUITY SHARES DURING THE YEAR

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

27. AUDITORS

In the Tenth Annual General Meeting (AGM) of the company held on August 23, 2017 Messrs. Batliboi & Purohit, Chartered Accountants was appointed as Statutory Auditors of the Company for a period of five years to hold office from the conclusion of the Tenth AGM until the conclusion of the Fifteenth AGM of the company ie of 2022. The Auditors have given a certificate that they are not disqualified and are eligible to be continued as Statutory Auditors of the Company

and accordingly the Board has recommended their re-appointment for five more financial years from FY 2022-23 subject to their eligibility of continuing as Auditor obtained at the beginning of every financial year .

28. SECRETARIAL AUDIT

Pursuant to requirement of section 204 of the Companies Act, 2013, the company had appointed Shri Martinho Ferraro – Practicing Company Secretary (COP 5676) as Secretarial Auditor for financial year 2021-22 and whose report of May 27, 2022 is attached as Annexure-VI. There are no adverse observations made by the Auditor.

29. AUDITORS' REPORT

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

30. REPORTING OF FRAUDS

There was no instance of frauds during the year under review, which required the Statutory Auditors to report there on.

31. COST RECORDS AND AUDIT THEREOF

Maintenance of Cost records pursuant to Companies (Cost Records and Audit) Rules, 2014 as amended from time to time is not applicable to the Company for this Financial year 2021-22.

32. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

As required u/s.124 of the Companies Act, 2013 the unclaimed dividend amount aggregating to Rs. 1,58,320/- pertaining to the financial year ended on 31.03.2014 lying with the company for the period of seven years were transferred during the financial year 2021-22 to IEPF established by the Central Government.

Further as required u/s.124 of the Act, 45317 equity shares in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by the company to the Investor Education and Protection Fund Authority (IEPF) during the financial year 2021-22. Details of

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shares transferred have been uploaded on the website of IEPF as well as the company.

33. CREDIT RATING

Brickwork Rating has reaffirmed a rating of BWR BBB- {Outlook Stable} as per the last rating letter in respect of the borrowings by the Company from Banks.

34. CORPORATE GOVERNANCE

Your Company has complied with Corporate Governance requirements as per prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance forms part of this report as Annexure-II. A certificate from the Statutory Auditors of the Company confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

35. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

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

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

37. DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors confirm that the Secretarial Standards issued by the Institute of Companies Secretaries of India have been complied with.

38. 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 : May 27,2022

Chetan D. Mehra
Vice Chairman (DIN :00022021)

Annexure – I**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended 31st March, 2022**

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

I.	REGISTRATION AND OTHER DETAILS :		
i)	CIN	:	L31101MH2007PLC168823
ii)	Registration Date	:	15 th March 2007
iii)	Name of the Company	:	Karma Energy Limited
iv)	Category / Sub-Category of the Company	:	Company Limited by Shares
v)	Address of the Registered office and contact details	:	214, Empire House, Dr. D. N. Road, Ent. A. K. Nayak Marg, Fort, Mumbai – 400 001. Tel : 022-22071501, Email : investorshelpdesk@weizmann.co.in
vi)	Whether Listed Company	:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent :	:	Bigshare Services Private Limited Pinnacle Business Park Next to Ahura Centre Mahakali Caves Road, Andheri East, Mumbai – 400 093 Tel : 40430200, Email : info@bigshareonline.com Website : www.bigshareonline.com

II.	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY		
	All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -		
Sl. No.	Name and Description of main products / services	NIC Code of the product / Service	% to total turnover of the company
1.	Power Generation from Renewable energy sources	35106	100 %

III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES				
Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1.	Nil				
2.					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual / HUF	3020155	-	3020155	26.10	3020155	-	3020155	26.10	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt.	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	5622891	-	5622891	48.60	5622891	-	5622891	48.60	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	8643046	-	8643046	74.70	8643046	-	8643046	74.70	-
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	8643046	-	8643046	74.70	8643046	-	8643046	74.70	-
B. Public Shareholding									
1. Institutions									

a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	66	-	66	0.001	66	-	66	0.001	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Co's	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	66	-	66	0.001	66	-	66	0.001	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	370180	353	370533	3.20	351143	351	351494	3.04	0.16
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 Lakh	1204444	230586	1435030	12.40	1355912	191405	1547317	13.37	(0.97)
ii) Individual shareholders holding nominal share capital in excess of Rs.2 Lakh	853351	-	853351	7.38	671227	-	671227	5.80	1.58
c) Others (Trust)	53	-	53		53	-	53		-
i) NRI's	67698	10617	78315	0.68	65040	6716	71756	0.62	0.06
ii) Demat Transit / Clearing Member	9440	-	9440	0.08	3559	-	3559	0.03	0.05
iii) Hindu Undivided Family	45647	-	45647	0.39	32028	-	32028	0.28	0.11
iv) IEPF	204015	-	204015	1.76	249332	-	249332	2.16	(0.40)
Sub-total (B)(2):-	2685250	241556	2926806	25.30	2728334	198472	2926806	25.30	-

Total Public Shareholding (B) = (B)(1)+(B)(2)	2667056	259816	2926872	25.30	2685316	241556	2926872	25.30	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	11310102	259816	11569918	100.00	11328362	241556	11569918	100.00	-

ii) Shareholding of promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year	Shareholding at the end of the year
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		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Chetan Mehra	373607	3.23	-	373607	3.23	-	-
2.	Dharmendra Siraj	844974	7.30	-	844974	7.30	-	-
3.	Anju Siraj	988097	8.54	-	988097	8.54	-	-
4.	Radhika Mehra	796715	6.89	-	796715	6.89	-	-
5.	Sweta Siraj Mehta	-	-	-	-	-	-	-
6.	Isha Siraj Kedia	16629	0.14	-	16629	0.14	-	-
7.	Arun Mehra	133	0.001	-	133	0.001	-	-
8.	Sitex India Pvt. Ltd	245308	2.12	-	245308	2.12	-	-
9.	Windia Infrastructure Finance Ltd	2000	0.02	-	2000	0.02	-	-
10.	Hansneel Impex Pvt. Ltd	1001	0.01	-	1001	0.01	-	-
11.	Ram Krishna Iron Works Pvt. Ltd	1000	0.01	-	1000	0.01	-	-

12.	Kotta Enterprises Ltd	2294026	19.82	-	2294026	19.82	-	-
13.	Purvaja Projects Ltd	1000	0.01	-	1000	0.01	-	-
14.	Prabhanjan Multitrade Pvt. Ltd	956614	8.27	-	956614	8.27	-	-
15.	Avinaya Resources Ltd	1000	0.01	-	1000	0.01	-	-
16.	Tapi Energy Projects Ltd	1000	0.01	-	1000	0.01	-	-
17.	Weizmann Ltd	500	0.004	-	500	0.004	-	-
18	Inspeed Power Pvt. Ltd	2119442	18.32	-	2119442	18.32	-	-
	Total	8643046	74.70	-	8643046	74.70	-	-

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

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8643046	74.70	8643046	74.70
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the	-	-	-	-

	reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year	8643046	74.70	8643046	74.70

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

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year				
1.	Kanan Ankit Khambhati	255096	2.20	255096	2.20
2.	Meghna Pratik Doshi	240328	2.07	240328	2.07
3.	Mohanchand H	157500	1.36	10000	0.09
4.	Malayamarutha Energy Projects Ltd	114001	0.99	114001	0.99
5.	Supportive Insurance Brokers Ltd	113181	0.98	113181	0.98
6.	Parmatma Power Projects Private Ltd	112999	0.98	112999	0.98
7.	Mansi Hitesh Siraj	53705	0.46	53705	0.46
8.	Maneka Hitesh Siraj	53705	0.46	53705	0.46
9.	Pansy Dinshaw Mehta	23439	0.20	23439	0.20
10.	Jay Vishnubhai Patel	22563	0.20	22563	0.20

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				

	At the beginning of the year				
1.	Chetan Mehra	373607	3.23	373607	3.23
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	373607	3.23	373607	3.23
2.	Dharmendra Siraj	844974	7.30	844974	7.30
	06 th April, 2018 Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	844974	7.30	844974	7.30
3.	Neelkamal Siraj	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
4.	Ganesh N. Kamath	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-

	At the end of the year	-	-	-	-
5.	Kishore M. Vussonji	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
6.	Smita V. Davda	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
7.	Balady S. Shetty	133	0.001	133	0.001
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	133	0.001	133	0.001
8.	T V Subramanian – CFO & Co. Secretary	-	-	-	-
	Date Wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-

At the end of the year	-	-	-	-
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V.	INDEBTEDNESS
	Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	33,82,14,304	35,62,46,961	-	69,44,61,265
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	24,47,430	-	-	24,47,430
Total (i+ii+iii)	34,06,61,734	35,62,46,961	-	69,69,08,695
Change in Indebtedness during the financial year				
• Addition		61,22,35,972	-	33,86,79,775.00
• Reduction	10,29,83,407	56,54,50,000	-	66,84,33,407
Net Change	-10,29,83,407	4,67,85,972	-	-5,61,97,435
Indebtedness at the end of the financial year				
i) Principal Amount	23,58,41,456	40,30,32,933	-	63,88,74,389
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	18,36,871	-	-	18,36,871
Total (i+ii+iii)	23,76,78,327	40,30,32,933	-	64,07,11,260

VI.	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
	A. Remuneration to Managing Director, Whole-time Directors and / or Manager :

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
---------	-----------------------------	------------------------	--	--	--	--------------

		G N Kamath	
1.	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	22.21				22.21
	(b) Value of Perquisite u/s 17(2) Income Tax Act, 1961	-				-
	(c) Profit in lieu of salary under section 17(3) Income Tax Act, 1961	-				-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commissson - as % of profit - Others, specify.	-	-	-	-	-
5.	Others, please specify					
	Total (A)	22.21	0	0	0	22.21
	Ceiling as per the Act	42.00				42.00

B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Kishore Vussonji	Balady Shetty	Smita V. Davda	
3.	Independent Directors				
	• Fee for attending	0.35	0.33	0.36	1.04

	board committee meetings		-	-	-	-
	• Commission		-	-	-	-
	• Others, please specify		-	-	-	-
	Total (1)		0.35	0.33	0.36	1.04
4.	Other Non-Executive Directors	Chetan Mehra	Dharmendra Siraj	Neelkamal Siraj		Total Amount
	• Fee for attending board committee meetings	0.20	0.26	0.23		0.69
	• Commission	-	-	-		-
	• Others, please specify					
	Total (2)	0.20	0.26	0.23		0.69
	Total (B) = (1+2)	0.20	0.61	0.92		1.73
	Total Managerial Remuneration	N.A.	N.A.	N.A.	N.A.	N.A.
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.

C. Remuneration to Key Managerial Personnel Other than MD/Manager / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary & CFO	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	46.80	46.80
	(b) Value of Perquisite u/s 17(2) Income Tax Act, 1961	-	-	-
	(c) Profit in lieu of salary under section 17(3) Income Tax Act,	-	-	-

	1961			
	Stock Option	-	-	-
	Sweat Equity	-	-	-
	Commission - as % of profit - Others, specify.	-	-	-
	Others, please specify	-	-	-
	Total	-	46.80	46.80

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

Annexure II

REPORT ON CORPORATE GOVERNANCE

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

Corporate Governance refers to a set of laws, regulations and good practices that enable an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders. Your Company is committed to good Corporate Governance. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of the stakeholders. The Company has established systems and procedures to ensure that its Board of Directors are well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders value. Your company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as applicable with regard to Corporate Governance.

2. **Board of Directors**

I **Composition and size of the Board**

The Company is being managed by the Managing Director under the supervision of the Board of Directors ('the Board'). The Current strength of the Board is Seven. Since the Company has a Non-Executive Chairman who is part of the promoter group of the company, the Board meets the stipulated requirement of at least one-third of the Board comprising of Independent Directors. The Composition of the Board is in conformity with Regulation 17 of SEBI listing Regulations read with Section 149 of the Act.

None of the Directors on the Board holds directorships in more than ten public companies. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors are related to each other.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations.

The composition of and the category of directors on the Board of the Company as at March 31, 2022 were as under.

Category	Particulars of the Directors
Non-Executive – Non Independent	Shri Dharmendra G. Siraj - Chairman Shri Chetan D. Mehra - Vice Chairman Shri Neelkamal. V. Siraj
Non- Executive - Independent	Shri Kishore N. Vussonji Shri Balady S. Shetty
Non-Executive - Independent Women Director	Smt. Smita V. Davda
Executive	Shri Ganesh N. Kamath – Managing Director

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

II Conduct of Board Proceedings

The day to day activities of the Company are conducted by the executives of the Company under the direction of the Managing Director and the overall supervision of the Board. During the financial year 2021-2022 the Board held five meetings on June 29, 2021, August 12, 2021, November 12, 2021, December 8, 2021 and February 11, 2022.

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

III Attendance of Directors

Attendance of Directors at the Board Meetings held during 2021-2022 and the last AGM held on September 28, 2021.

Directors	Meetings held during the tenure of Directors	Meetings Attended	Attendance at last AGM	No. of other Directorship held #	No. of other Committee Memberships held
Shri D G Siraj	5	5	No	7	2
Shri C D Mehra	5	4	Yes	7	2
Shri N V Siraj	5	5	Yes	6	-
Shri G N Kamath	5	5	Yes	6	-
Shri K M Vussonji	5	5	Yes	2	3

-

Smt. S V Davda	5	5	No	3	4
Shri B S Shetty	5	5	Yes	9	3

Directorships held in other listed entities as on 31st March, 2022 :

Name of the director	Name of the other listed entities in which the concerned Director is Director	Category of Directorship
Shri D G Siraj	1. Weizmann Ltd	Non-Executive Non-Independent
Shri C D Mehra	1. Weizmann Ltd	Non-Executive Non-Independent
Shri N V Siraj	1. Weizmann Ltd	Non-Executive Non-Independent
Shri G N Kamath	-	-
Shri K M Vussonji	1. Gold Crest Corporation Ltd	Non-Executive Independent Director
Smt. S V Davda	1. Weizmann Ltd	Non-Executive Independent Director
Shri B S Shetty	1. Weizmann Ltd	Non-Executive Independent Director

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

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

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

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

Details of Shareholding of Non-Executive Directors

Sr. No.	Name of Directors	No. of shares held as on 31 st March, 2022
1.	Shri Dharmendra G. Siraj	8,44,974
2.	Shri Chetan D. Mehra	3,73,607
3.	Shri Neelkamal V. Siraj	Nil
4.	Shri Kishore M. Vussonji	Nil

5.	Smt. Smita V. Davda	Nil
6.	Shri Balady S. Shetty	133

The Board has identified the following skills /expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

The Company requires skills/expertise/competencies in the areas of strategy, finance, accounting, economics, legal and regulatory matters, mergers and acquisitions, the environment, green technologies, sustainability, operations of the Company's businesses and energy commodity markets to efficiently carry on its core businesses such as generation, distribution and transmission of renewable energy. All the above required skills/expertise/competencies have been identified by the Board.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, expertise, diversity and independence. The Board provides leadership, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size.

3. **Audit Committee**

The Audit Committee inter alia, provides assurance to the Board on the adequacy of the internal control systems, financial disclosures and ensures that generally accepted accounting principles are observed by the Company. It also provides guidance and liaise with the Statutory Auditors of the Company. The terms of reference of the Audit Committee are in conformity with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read in conjunction with Section 177 of the Companies Act, 2013. The Audit Committee comprised of Shri Balady Shekar Shetty as Chairman, Shri Kishore M. Vussonji and Smt. Smita V. Davda as members. The Managing Director, CFO & Company Secretary, Internal Auditor and Statutory Auditors are invited to attend the meetings of the Audit Committee. The Audit committee discharges such duties and functions indicated in SEBI (LODR) Regulations, 2015 and also such other functions as may be specifically delegated to it by the Board from time to time. The Audit Committee held its meeting on June 29, 2021, August 12, 2021, November 12, 2021 and February 11, 2022.

All the recommendations of the Audit Committee have been accepted by the Board of Directors. 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 2021-22	
		Held	Attended
Shri B. S. Shetty	Non-Executive Independent	4	4
Shri K. M. Vussonji	Non-Executive Independent	4	4

Smt S. V. Davda	Non-Executive Independent	4	4
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During the year, the Company paid sitting fees of Rs.3,000/- per meeting to the each of the Non-Executive Directors for attending Audit Committee meeting.

The terms of reference of Audit Committee are in line with Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Examination of the Financial Statement and the auditors report thereon;
- Evaluation of internal financial controls and risk management systems;
- The Audit Committee may call for the comments of the auditors about internal control systems, the scope of the audit, including the observations of the auditors and review of Financial Statements before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company;
- The Audit Committee shall review the information required as per SEBI Listing Regulations;

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

4. **Nomination & Remuneration Committee**

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

Name	Category	Number of Meetings during the year 2021-22	
		Held	Attended
Shri K. M. Vussonji	Non-Executive Independent	1	1
Shri D G. Siraj	Non-Executive	1	1
Smt S. V. Davda	Non-Executive Independent	1	1

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

The terms of reference of Nomination and Remuneration Committee are in line with the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

- ⌚ Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, Key Managerial Personnel and other employees.
- ⌚ Formulate criteria for evaluation of independent directors and the Board
- ⌚ Devising policy on Board diversity
- ⌚ Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal
- ⌚ whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- ⌚ recommend to the board, all remuneration, in whatever form, payable to senior management

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

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

Criteria of selection of Non-Executive Directors

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

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

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

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

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

Remuneration

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

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

CEO & Managing Director - Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

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

Remuneration for the CEO & Managing Director

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

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

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

Remuneration Policy for the Senior Management Employees

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

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

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The details of remuneration paid to Managing Director from 1st April, 2021 to 31st March, 2022 is given below

Name of the Managing Director	Salary (Rs. in Lacs)	Commission	Perquisites and Allowances (Rs. in Lacs)	Retiral Benefits * (Rs. in Lacs)
Ganesh N. Kamath	19.93	-	1.91	2.79

Notes : The agreement with Managing Director is for a period of 1 year from 1st December, 2021.

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

5. Stakeholders Relationship Committee

The Company has in place a Stakeholders Relationship Committee in accordance with the requirements of SEBI (LODR) Regulations, 2015. The Stakeholders Relationship Committee comprises of Shri Chetan D. Mehra as the Chairman, Shri Dharmendra G. Siraj and Smt Smita V. Davda as members of the Committee. The said Committee looks into redressing investors' complaints pertaining to transfer/ transmission of shares, non- receipt of dividend/ annual report of the Company. The Committee met on 11th February, 2022 during the financial year. Shri T. V. Subramanian, Company Secretary acts as the Company's Compliance Officer.

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

Name	Category	Number of Meetings during the year 2021-22	
		Held	Attended
Shri C. D. Mehra	Non-Executive Non-Independent	1	1
Shri D G. Siraj	Non-Executive Non Independent	1	0
Smt S. V. Davda	Non-Executive Independent	1	1

There were Nil complaints received from the shareholders during the financial year ended 31st March, 2022.

6. Independent Directors Meeting

During the year under review, the Independent Directors met on 11th February, 2022, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

7. **Familiarisation Programme arranged for Independent Directors**

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

8. **Non-executive Directors' compensation and disclosures**

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

9. **General Body Meetings**

Details of the last three Annual General Meetings (AGMs)

<i>Date & Year</i>	<i>Time</i>	<i>Location where AGM held in the last 3years.</i>
28/09/2021 2020-2021	02:00 p.m.	Audio Visual Mode
22/12/2020, 2019-2020	02.00 p.m.	Audio Visual Mode
06/08/2019; 2018-2019	3.05 p.m	Maharashtra Chamber of Commerce Oricon House, 6 th Floor, Maharashtra Chamber of Commerce path, Kalaghoda, Mumbai – 400 001

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

Special resolution passed at Last 3 AGM's

14th AGM : Re-appointment of Shri Ganesh Kamath aged 80 years as Managing Director for a period of 1 year. – Passed with majority.

13th AGM : Re-appointment of Shri Ganesh Kamath aged 79 years as Managing Director for a period of 1 year. – Passed with majority.

12th AGM : Re-appointment of Shri Ganesh Kamath aged 78 years as Managing Director for a period of 1 year. – Passed with majority.

Re-appointment of Shri Kishore Vussonji who would exceed the age of 75 years in the current term was re-appointed as Independent Director for a term of 5 years until AGM of 2024.

10. **Disclosures**

Basis of Related party transactions

During the year, the Company had no materially significant related party transaction, which is considered to have potential conflict with the interests of the Company at large. Related party transactions as required to be complied under Ind-As 24 referred to as INDAS are furnished under Note no 31 of the Notes to Accounts attached to the annual accounts for the financial year ended 31st March, 2022. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions and during the year there were no material transactions with related parties. The policy is also available on the website of the Company www.karmaenergy.co

Non Compliance / Strictures / Penalties Imposed

There has not been any non-compliance / strictures / penalties imposed during the financial year ended 31st March, 2022

Disclosure of Accounting treatment

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

Whistle Blower Policy

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

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

The Company has also adopted policy on Determination of Materiality for Disclosures, Policy on Archival of Documents and Policy for Preservation of Documents. The said policy has also been put on the website of the Company at www.karmaenergy.co

Risk Management

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

Directors seeking appointment / re-appointment

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

Credit Rating

As per last rating, the rating of Term Loan by Brick Works Ratings is BWR BBB- (outlook stable)

- The company has not raised funds through preferential allotment or qualified institution placement

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- The board has accepted all the recommendations of its committees
- All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies. Mr. Martinho Ferrao, Practicing Company Secretary, has submitted a certificate to this effect.

Total Fees Payable to Auditor

During the financial year 2021-22, details of amount charged to Statement of Profit and Loss by the Company, its subsidiaries and its associate with respect to the Statutory Auditor of holding Company and all entities in the network firm / network entity of which Statutory Auditor is a part :

Particulars	Rs.in Lakh
Audit fees for statutory Audit	4.00
Tax Audit	0.75
Other services	-

(Note: Above amount is exclusive of applicable taxes)

Management discussion and analysis report forms part of this Annual Report

11. Code of Conduct

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

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

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

We confirm that the Board members and Senior Management of the Company have confirmed compliance with the code of conduct, as applicable to them, for the year ended 31st March, 2022.

Date : 27th May, 2022
Mumbai

Sd/-
Ganesh N. Kamath
Managing Director

12. Code of Conduct for prevention of Insider Trading

Karma Energy Ltd has a Code of Conduct for prevention of Insider Trading in shares and Securities of the Company for its Directors and Designated employees. The Code is posted on the website of the Company www.karmaenergy.co

13. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the aforesaid Act and the Rules framed thereunder, including constitution of the Internal Complaints Committee (ICC). The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same is available on the Company's website at <https://www.karmaenergy.co>. All employees (permanent, contractual, temporary and trainees, etc.) are covered under this Policy.

The Policy is gender neutral.

There were no complaints received during the year under review.

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14. The Company has complied with all the requirements of Corporate Governance Report as stated under sub paras (2) to (10) of section (C) of Schedule V to the Listing Regulations.
15. The Company has complied with all the requirements of corporate governance as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
16. In terms of Regulation 17(8) of the Listing Regulations, the CEO & Managing Director and the CFO made a certification to the Board of Directors in the prescribed format for the year under review, which has been reviewed by the Audit Committee and taken on record by the Board. The same is attached herewith and marked as Annexure III.
17. The Company follows Indian Accounting Standards (IndAS) issued by the Ministry of Corporate Affairs in the preparation of its financial statements.
18. The Company has obtained compliance certificate from the Practising Company Secretary on corporate governance, which is attached herewith and marked as Annexure IV.
19. As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2, particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Notice of the AGM to be held on 28th September, 2021.
20. The company has not provided loans and advances to any firm / company in which its Directors are interested.

21. **Subsidiary Companies**

Greenweiz Projects Ltd merged with the company vide order of the Hon'ble bench of NCLT dated 15th July, 2021. Batot Hydro Power Ltd ceased to be subsidiary of the company during the year under review.

22. **Means of Communication**

Half yearly report sent to each household of

Shareholders - No

Quarterly results usually published in (Proposed) - Financial Express (English daily)

- The Global Times (Marathi daily)

Any website where displayed - www.karmaenergy.co
www.nseindia.com
www.bseindia.com

Whether any advertisement also displayed

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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

23. General Shareholder Information

a) 15th Annual General Meeting- Day, Date, Time and Venue

Day	Date	Time	Venue
Thursday	28/07/2022	2.00 p.m.	OAVM / VC

b) Financial Calendar

Financial Year	:	1 st April, 2022 to 31 st March 2023
Adoption of Quarterly Results for the quarter ending June, 2022	:	on or before 14 th August, 2022
September, 2022	:	on or before 14 th November, 2022
December, 2022	:	on or before 14 th February, 2023
March, 2023	:	on or before 30 th May, 2023

Book Closure Date	:	21 st July, 2022
Dividend Payment	:	Not Applicable

c) Listing on Stock Exchanges

: BSE & NSE

d) Stock Exchange Codes

The Stock Exchange, Mumbai	:	533451
National Stock Exchange of India	:	KARMAENG
ISIN NO.	:	INE725L01011

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

Month	BSE		S&P SENSEX	
	High (Rs.)	Low (Rs.)	High	Low
April, 2021	14.62	12.20	50376	47205
May, 2021	15.95	11.93	52013	48028
June, 2021	23.31	14.43	53127	51451
July, 2021	29.05	16.65	53291	51803
August, 2021	36.75	18.10	57625	52804
September, 2021	23.00	17.55	60412	57264
October, 2021	25.25	17.45	62245	58551
November, 2021	23.40	18.40	61037	56383
December, 2021	38.40	18.00	59203	55133
January, 2022	42.30	27.25	61475	56410
February, 2022	34.60	26.40	59619	54383
March, 2022	37.70	27.10	58891	52261
Month	NSE`		NIFTY 50	
	High (Rs.)	Low (Rs.)	High	Low
April, 2021	14.30	12.40	15044	14151
May, 2021	15.40	12.30	15606	14416
June, 2021	23.15	14.45	15916	15451
July, 2021	28.90	16.90	15962	15513
August, 2021	36.60	18.05	16951	15835
September, 2021	23.30	17.30	17947	17055
October, 2021	24.80	17.25	18604	17452
November, 2021	22.95	17.90	18210	16782
December, 2021	38.45	18.05	17639	16410
January, 2022	42.35	26.85	18350	16836
February, 2022	34.45	27.10	17794	16203
March, 2022	38.25	27.50	17559	15671

f) **Registrar & Transfer Agent** : Bigshare Services Pvt. Ltd.
Office No.S6-2, 6th floor
Pinnacle Business Park
Next to Ahura Centre,
Mahakali Caves Road
Andheri (East),
Mumbai - 400 093.

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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. 1,13,71,446 Equity Shares representing 98.28 % of the share capital of the Company stands dematerialised as on 31st March, 2022. 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 2022 :

Sr. No	Category	No. of Equity Shares	Percentage of Shareholding
A	Promoters Holding		
	Indian Promoters	8643046	74.70
B	Non Promoter Holding		
a	Mutual Funds & UTI	-	-
b	Banks, Financial Institutions Insurance Companies (Central / State Govt. Institutions/ Non-Government Institutions)	66	0.001
c	FIs	Nil	Nil
C	Others		
a.	Private Corporate Bodies	351494	3.04
b.	Indian Public	2499955	21.61
c.	NRIs/OCBs	71756	0.62
d.	Any other (Demat Transit)	3599	0.03
	GRAND TOTAL	11569918	100.00

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j) Distribution of Shareholding as on 31st March 2022:

<i>Range (In Rs)</i>	<i>Total Holders</i>	<i>Total Holdings in Rupees</i>
1 – 5000	7189	7305980
5001-10000	347	2700440
<i>Range (In Rs)</i>	<i>Total Holders</i>	<i>Total Holdings in Rupees</i>
10001 – 20000	159	2296050
20001 – 30000	48	1178150
30001 - 40000	19	677360
40001 – 50000	12	568450
50001 – 100000	22	1541250
100001 – 999999999	28	99431500
Total	7824	115699180

k) Transfer of unclaimed/unpaid amounts to Investor Education and Protection Fund

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as “IEPF Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the IEPF, maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed in respect of dividends declared upto the financial year ended 31st March 2013 have been transferred to the IEPF.

In accordance with Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat Account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended 31st March 2014 and remained unclaimed are transferred to the IEPF. The Company had sent notices to all such Members in this regard and published a newspaper advertisement and, thereafter, transferred the shares to the IEPF during financial year 2021-22. The details of unclaimed dividends and Equity shares transferred to IEPF in respect of Financial year 2013-14 are as follows:

Amount of Unclaimed Dividend Transferred	Number of Equity Shares Transferred
158320.00	45317

- l) **Outstanding GDR's / ADR's / Warrants or any Convertible instruments, conversion date and Likely impact on equity** - Not Applicable
- m) **Wind Power Plant Location** - Andhra Pradesh – Anantpur,
Tamilnadu – Theni, Tirunelveli, Tiruppur
Maharashtra – Beed & Satara
- n) **Address for Correspondence** - Regd. Office
Empire House,
214, Dr. D.N.Road,
Fort,
Ent. A.K. Nayak Marg,
Mumbai - 400 001.
Tel Nos. 22071501-06
Fax : 22071514
Website : www.karmaenergy.co

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Registrar & Share Transfer Agent

- Bigshare Services Pvt. Ltd.,
Office No.S6-2, 6th floor
Pinnacle Business Park
Next to Ahura Centre,
Mahakali Caves Road
Andheri (East),
Mumbai - 400 093.
Tel : 62638200, Fax, 62638299
Email : info@bigshareonline.com
Website : www.bigshareonline.com

- o) **Dedicated email id for investor complaints** - investorshelpdesk@weizmann.co.in

- p) **Equity Shares in Suspense Account** - There are no shares in unclaimed/ suspense account for the financial year 2021-22

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Annexure III

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

Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Karma Energy Limited ('the Company'), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March 2022 and to the best of our knowledge and belief, we state that:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the financial year, which are fraudulent, illegal or violate the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - a. significant changes, if any, in the internal control over financial reporting during the year;
 - b. significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Ganesh N. Kamath
CEO & Managing Directors
(DIN : 00040805)

sd/-
T V Subramanian
CFO & Company Secretary

Date : 27th May, 2022

Annexure IV

MARTINHO FERRAO & ASSOCIATES

Company Secretaries

Level 3, Office # 301, Dhun Building, 23/25 Janmabhoomi Marg, Fort, Mumbai - 400 001

Tel: +91 22 2202 4366 Email: mferraocs@yahoo.com Website : www.csmartinhoandassociates.com



CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
KARMA ENERGY LIMITED
214, Empire House, Dr. D.N. Road,
Ent. A.K. Nayak Marg, Fort, Mumbai - 400001.

We have examined the compliance of the conditions of Corporate Governance **Karma Energy Limited** ('the Company') for the year ended on March 31, 2022 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI LODR Regulations for the year ended 31st March 2022.

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

For Martinho Ferrao & Associates
Company Secretaries

Martinho Ferrao

Proprietor

FCS No. 6221

COP No. 5676

UDIN: F006221D000410999

Place: Mumbai

Date: 27th May, 2022

Annexure VI

MARTINHO FERRAO & ASSOCIATES

Company Secretaries

Level 3, Office # 301, Dhun Building, 23/25 Janmabhoomi Marg, Fort, Mumbai - 400 001

Tel: +91 22 2202 4366 Email: mferraocs@yahoo.com Website : www.csmartinhoandassociates.com



FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,
The Members,
KARMA ENERGY LIMITED
214, Empire House, Dr. D.N. Road,
Ent. A.K. Nayak Marg, Fort, Mumbai - 400001.

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

Due to the current nationwide lockdown arising out of COVID-19 pandemic, we have examined the papers, minute books, forms, returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 provided to us through electronic mode. No physical verification of any document / record was possible. Based on our verification of **Karma Energy Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year **ended on 31st March 2022**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Karma Energy Limited** ("the Company") for the financial year ended on **31st March 2022** according to the provisions of:

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

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not applicable as the Company has not issued any securities during the financial year under review.** ;
 - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not applicable as the Company has not issued any Employee Stock Option Scheme and Employee Stock Purchase Scheme.**
 - e. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable as the Company has not issued any debt securities during the financial year under review;**
 - f. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review;**
 - g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable as the Company has not delisted its equity shares from any Stock Exchange during the financial year under review;**
 - h. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013: **Not applicable as the Company has not issued any such securities during the financial year under review.**
 - i. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not applicable as the Company has not bought back any of its securities during the financial year under review.**
 - j. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; - **Not applicable to the Company securities during the financial year under review.**
 - k. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

We have also examined the compliances of the provisions of the following other laws applicable specifically to the company wherein we have also relied on the compliance certificates issued by the head of the respective departments in addition to the checks carried out by us:

1. The Electricity Act, 2003

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and its authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned above.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All decisions are carried through with requisite majority. There were no dissenting views from the members during the period under review.

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

We further report that; during the period under review::

- (i) Hon. National Company Law Tribunal (NCLT), Mumbai bench vide its order dated 15th July 2021 approved the Scheme of Amalgamation for the merger of wholly owned subsidiary, Greenweiz Projects Limited ("Transferor Company") with the Company ("Transferee Company"), pursuant to sections 230 to 232 read with section 234 and other relevant provisions of the Companies Act, 2013.
- (ii) The shareholders in their Annual General Meeting held on 28th September 2021 approved the appointment of Mr. Ganesh N. Kamath (DIN: 00040805) as Managing Director for a period of 1 year w.e.f. 1st December 2020 until 30th November 2021. The Board of Directors in their meeting held on 12th November 2021 subject to approval of shareholders in the Annual General Meeting approved the re-appointment of Mr. Ganesh N. Kamath (DIN: 00040805) as Managing Director for another period of 1 year w.e.f. 1st December 2021 until 30th November 2022.

- (iii) The Board of Directors at their meeting held on 8th December 2021 approved disinvestment of entire stake in wholly owned material subsidiary company namely M/s. Batot Hydro Power Limited. The shareholders approved the sale of 100% shares in Batot Hydro Power Limited, wholly owned subsidiary of the Company by postal ballot on 1st February 2022.

**For Martinho Ferrao & Associates
Company Secretaries**

**Martinho Ferrao
Proprietor
FCS No. 6221 C.P.No.5676
PR 951/2020
UDIN:F006221D000410933**

Place: Mumbai
Date: 27th May, 2022

This report is to be read with our letter which is annexed as Annexure A and forms an integral part of this report.

‘Annexure A’

To,
The Members,
KARMA ENERGY LIMITED
214, Empire House, Dr. D.N. Road,
Ent. A.K. Nayak Marg, Fort, Mumbai - 400001.

Our report is to be read along with this letter.

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

For **Martinho Ferrao & Associates**
Company Secretaries

Martinho Ferrao
Proprietor
FCS No. 6221
C P. No. 5676
PR 951/2020

Place: Mumbai

Date: 27th May, 2022

UDIN:F006221D000410933

KARMA ENERGY LIMITED

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

BUSINESS REVIEW

General Economy

The Pandemic COVID-19 which began across the globe since first quarter of 2020 adversely affected every person / entity whether Individuals, Manufacturing or Service Sectors, Commercial establishments, Governments and Nations itself to a varied degree. Though the global economy struck all economies world over including India, India has successfully navigated through the turbulent times with measure steps by Government, RBI and other regulatory entities. Unfortunately the commencement of the war in Europe, followed by sanctions and escalating geopolitical tensions has resulted in the global economy witnessing a tectonic shifts. There have been shortages in key commodities; fractures in the International financial structure, extreme volatility characteristics in commodity and financial markets. Indian neighborhood also is witnessing political and economic instability in couple of countries.

As far as India is concerned, the Central Government and RBI took a number of remedial steps restricting the adverse impact and as per RBI survey indicators reflect the GDP growth in 2021-2 is around 8.9% despite some spikes on the pandemic in the form of Omicron creating a scare. Several high frequency indicators – railway freight; GST collections; toll collections; electricity demand; fuel consumption; and imports of capital goods posted robust year-on-year expansion. However the continuing geo-political turbulence arising from a war in progress with world divided, the real GDP growth for 2022-23 is now projected at 7.2 % with varying growth rates each quarter with the critical factor being steadiness in the Crude Oil prices.

Company Business

The renewable power generation, which is the business of the Company, though was one of the sectors which had less impact of the Pandemic continues to suffer from adverse impact of regular regulatory changes especially in Maharashtra which has even forced the Company to shift from Sale to a Blue Chip third party to State Utility since under Open access various excessive charges permitted by the regulatory commission to protect the State utility was resulting in abysmally low net realization.

The performance of the Company is directly linked to the Renewable Energy Policies of both Centre and State Governments, effectiveness of Nodal Agencies and formulation of encouraging policies and implementation thereof by State Electricity Regulatory Commissions.

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In Andhra Pradesh, though company has been generating power from its 7.5 MW, it continues to battle in judicial forums for realization of the 50% of the generation dues with about Rs.3.80 Crore for the period January 2011 to May 2014 pending to be received due to the imbroglio created by the State bifurcation and judicial authorities including the jurisdictional High court not imparting a fair justice and consequently the matter is still lingering in the legal circles.

The payments against Power sold to State Utilities continue to be a nightmare with dues pending over a year in Tamil Nadu, just less than a year in Andhra Pradesh and Maharashtra.

The brighter part of FY 2021-22 is APTEL setting aside the drastic price reductions effected by CERC in early 2020 which had resulted in Nil reading of RECs in FY 2020-21. Post APTEL order REC trading commenced leading to the Company selling virtually all the RECs issued with very little stock on hand. With the Company, now selling power to State utility in Maharashtra, no further RECs can be availed as per the relevant REC Regulations.

OUTLOOK, OPPORTUNITIES AND THREATS

The Pandemic Covid-19 raising its head time and again after gap of every few months is causing anxiety. However so far as per the experts the new mutations though more contagious is less harmful.

As far as Company's operations are concerned like any other renewable energy entity many adverse regulatory changes have been worse than the pandemic. Some sites are recording negative earnings. The Company has taken lot of steps for cost reduction, tight cash flow management, policy changes to mitigate the downturn.

As it stands today, the steep increases and new type of levies through regulations, restrictions on banking especially in Maharashtra, belated payment of dues by utilities do not augur well for decent future for the Industry and Company. It seems the Central Governments ambitious quantum leap in RE Power is encouraging only big business houses who are jumping into the Green Power bandwagon as their pockets are deep and may be able to absorb the running losses in the RE Business which they may leverage for growth in their other core businesses.

RISKS AND CONCERNS

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

The company continues to suffer due to multiple issues viz. state bifurcation, lack of funds, delays in releasing the outstanding dues by state utility in Tamil Nadu and so also in Maharashtra coupled with ever increasing open access charges, restriction on banking to mere one month from 12 months which was in vogue for two years Maharashtra, introduction of forecasting and scheduling across many states leading to payment of penalties for deviations are major concerns.

The experience of the Company has been that inordinate delays in adjudication of the matters by Electricity Regulatory Commission, Appellate Tribunal for Electricity and higher courts result in acute pressure on the Company due to huge mismatch in inflow and outflow of funds. In the wind power business the expenses are more or less fixed and also the loan repayment and interest to lenders like banks, however, the delayed receipt of generation proceeds necessitate that company has to resort to temporary borrowings to tide over the mismatch. This is also a concern as it has to bear the brunt of finance cost.

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

INTERNAL CONTROL SYSTEM

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

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

MATERIAL DEVELOPMENT IN HUMAN RESOURCES

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

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

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS – To fill in

Sr. No.	Parameters	F.Y. 2021-22	F.Y. 2020-21
1	Debtors Turnover	30.34%	49.12%
2	Inventory Turnover	8.93%	6.39%
3	Interest Coverage Ratio		(1.18)
4	Current Ratio	2.65	0.44
5	Debt Equity Ratio	1.21	2.69
6	Operating Profit Margin (%)		139.13%
7	Net Profit Margin (%)	(7.72%)	(50.68%)
8	Return on Net Worth		(33.88%)

Notes :

The ratios are in respect of ordinary activities and hence exclude impact of other comprehensive income.

The variation in Debtors Turnover percentage is due to inordinate delays in releasing the generation proceeds by State Utilities couple with lower turnover in Vankusavade Site in Satara District where realisation is faster as sale is to a third party.

The variation in Interest Coverage Ratio, Operating Profit Margin, Net Profit Margin, Return on Net Worth are attributable to operating loss in FY 20-21 attributable to lower generation, negligible sale of Renewable Energy Certificates and Higher Open Access Costs in Maharashtra.

BATLIBOI & PUROHIT

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT To the Members of KARMA ENERGY LIMITED Report on the Audit of the standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **KARMA ENERGY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

i. Valuation of unquoted financial assets held at fair value

Description of Key Audit Matter:

The valuation of the Company's unquoted non-current investments held at fair value was a key area of audit focus due to the significance of the amount and complexity involved in the valuation process. The management makes significant judgements because of the complexity of the techniques and assumptions used in valuing some of the level 3 investment securities given the limited external evidence and unobservable market data available to support the Company's valuations.

The valuation of the level 3 investment securities are dependent on market conditions and key assumptions made. The determination of these assumptions is complex and requires the exercise of management judgements.

See Note 1.4 (k), Note 3 and Note 29 to the financial statements.

Our response:

- We assessed the design and operating effectiveness of the Company's key controls supporting the identification, measurement and oversight of valuation risk of financial assets.
- For valuations which involved significant management judgements, we evaluated the assumptions, methodologies and models used by the Company.
- We also assess the appropriateness of the methodologies used and found that these are reasonable in the context of the relevant investments.
- We examined the calculation of the inputs used for substantive and arithmetical accuracy by performing re calculations wherever required.

Information Other than the standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer note 26 to the standalone financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures performed, nothing has come to our attention that causes us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.

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

Kaushal Mehta
Partner
Membership No. 111749

Place : Mumbai
Date : May 27, 2022
ICAI UDIN : 22111749AJSVTD7783

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all items of Property, Plant and Equipment are verified once in every two years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the said programme, certain items of Property, Plant and Equipment were physically verified during the year and no material discrepancies were observed on such verification.
- (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work-in progress, according to the information and explanations given to us and based on the examination of the registered sale deed / title deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory during the year. In our opinion, with regards to the nature and size of its inventories, the coverage and procedure of such physical verification carried out during the year were appropriate. Discrepancies noted during such physical verification were less than 10% of respective inventory classes. All discrepancies noted during the year were properly dealt with in the books of account.
- (b) During the year, the Company did not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from any banks on the basis of security of its current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has not made any investments in, provided any guarantee or security or granted advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. The Company has given unsecured loans during the year to a Company as follows:

	Loans given (Rs. in lakhs)
Aggregate amount granted during the year – Other party	740.97
Balance outstanding as at Balance sheet date in respect of above cases – Other party	386.80

- (b) In respect of loans given during the year, based on the information and explanations given to us, the terms and conditions of the loan granted during the year are not prima facie prejudicial to the Company's interest.
- (c) In respect of loans given during the year, the schedule of repayment of principal and payment of interest has not been stipulated, hence we are unable to comment on the regularity of the payments.
- (d) We are unable to comment on the overdue amounts in respect of loans, since terms of principal repayment and interest payment have not been stipulated.
- (e) In our opinion and on the basis of information and explanations given to us, no loans have fallen due during the year. Hence, reporting under clause 3 (iii) (e) is not applicable.
- (f) The Company has granted loans repayable on demand during the year, without specifying any terms or period of repayment. The details are given below:

	Other parties (Rs in lakhs)
Aggregate amount of loans given which are repayable on demand	740.97
Percentage of loans to the total loans	100 %

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act 2013 in respect of loans granted, investments made and guarantees and securities provided as applicable.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) To the best of our knowledge and as explained the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed statutory dues referred above were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us by the Company and on the basis of our examination of the books of account and the record, there are no dues of Sales Tax, Service Tax, Goods and service tax, Income tax, Duty of Customs, Duty of Excise, Value added tax outstanding on account of any dispute except for income tax as stated below: *:

Name of the statute	Nature of dues	Amount (Rs. In lakhs)*	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	94.69	AY: 2014-15	Commissioner of Income Tax Appeals
Income Tax Act, 1961	Income Tax	239.59	AY: 2018-19	Commissioner of Income Tax Appeals

**As represented by Management.*

- (viii) According to the information and explanations given to us, no transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which was not recorded in the books of account. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) (a) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not defaulted in repayment of loans or any other borrowings or payment of interest there on to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, no term loans were obtained during the year by the Company. In respect of the term loan outstanding at the beginning of the year, there was no amount pending to be utilised during the year.
- (d) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, no funds have been raised on short term basis by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised any funds during the year and hence reporting on clause 3 (ix)(f) of the Order is not applicable.
- (x) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) during the year.
- (xi) (a) According to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the year.

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, no report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was filed with the Central Government during the year or upto the date of the Report.
- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a 'nidhi' company and it has not accepted any deposits. Accordingly, paragraph 3(xii)(a), paragraph 3(xii)(b) and paragraph 3(xii)(c) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on the audit procedures performed by us, transactions with the related parties during the year were in compliance with sections 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Provisions of Section 177 of the Act are not applicable to the Company.
- (xiv) (a) In our opinion and based on our examination, the company has an internal audit system, however it needs to be strengthened to be commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of section 192 of the Act and paragraph 3(xv) of the Order are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.
(b) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.
(c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
(d) According to the information and explanations given to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Direction 2016) does not have any Core Investment Company ('CIC') as part of the Group. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable.
- (xvii) According to the information and explanations given to us, the Company has not incurred cash losses in the current financial year, however it has incurred cash loss of Rs 657.92 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.

- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) According to the information and explanations given to us and based on audit procedures performed by us, the Company was not required to spent any amount in terms of Section 135 of the Act during the year. Accordingly, second proviso to sub-section (5) of section 135 of the said Act and paragraph 3(xx)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on audit procedures performed by us, the Company did not have any ongoing project in terms of Section 135 of the Act during the year. Accordingly, provision of sub-section (6) of section 135 of the said Act and paragraph 3(xx)(b) of the Order is not applicable.
- (xxi) This Report is issued on the standalone financial statements of the Company. Accordingly, paragraph 3(xxi) of the Order is not applicable.

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

Kaushal Mehta
Partner
Membership No. 111749
Place: Mumbai
Date: May 27, 2022
ICAI UDIN: 22111749AJSVTD7783

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirement's section of our report to the members of Karma Energy Limited of even date)

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

Opinion

We have audited the Internal Financial Controls over financial reporting of Karma Energy Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls over Financial Reporting

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

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

Kaushal Mehta
Partner
Membership No. 111749

Place : Mumbai
Date : May 27, 2022
ICAI UDIN: 22111749AJSVTD7783

Karma Energy Limited
(CIN - L3110MH2007PLC168823)
Standalone Balance Sheet as at 31.03.22

Rupees in Lac

Particulars	Note No	As At	
		31.03.22	31.03.21
ASSETS			
Non-Current Assets			
a Property, Plant and Equipment	2A	3,126.26	3,619.93
b Right of Use Assets	2B	110.29	125.73
c <u>Financial Assets</u>			
i Investments	3	188.20	5,242.47
ii Others	4	36.96	34.12
Total Non-Current Assets ==>		3,461.71	9,022.25
Current Assets			
a Inventories	5	239.49	252.26
b <u>Financial Assets</u>			
i Trade Receivables	6	991.21	679.48
ii Cash and Cash Equivalents	7	27.89	57.45
iii Bank Balances other than (ii) above	8	1,072.29	1,034.50
iv Loans	9	386.80	-
c Current Tax Assets		31.64	76.72
d Other Current Assets	10	128.81	133.14
Total Current Assets ==>		2,878.13	2,233.55
TOTAL ASSETS		6,339.84	11,255.80
EQUITY AND LIABILITIES			
Equity			
a Equity Share capital	11	1,156.99	1,156.99
b Other Equity	12	1,864.33	2,099.04
Total Equity ==>		3,021.32	3,256.03
Liabilities			
<u>Non-Current Liabilities</u>			
a <u>Financial Liabilities</u>			
i Borrowings	13	1,153.52	1,728.17
ii Lease Liabilities	40c	124.26	132.74
b Provisions	14	28.99	19.22
c Deferred Tax Liabilities	28a	927.13	1,037.62
Total Non-Current Liabilities ==>		2,233.90	2,917.75
<u>Current Liabilities</u>			
a <u>Financial Liabilities</u>			
i Borrowings	15	592.87	4,607.87
ii Lease Liabilities	40c	9.66	9.66
iii Trade Payables			
(a) Micro and Small Enterprises		-	-
(b) Other than Micro and Small Enterprises	16	41.64	27.23
iv Others	17	310.68	353.13
b Other Current Liabilities	18	35.39	30.55
c Provisions	19	7.24	10.90
d Current Tax Liabilities		87.14	42.68
Total Current Liabilities ==>		1,084.62	5,082.02
Total Liabilities ==>		3,318.52	7,999.77
TOTAL EQUITY and LIABILITIES		6,339.84	11,255.80

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

As per our report of even date attached

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

For and on behalf of the Board

Chetan D. Mehra
(Vice Chairman)
DIN : 00022021

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

Kaushal Mehta
Partner
Membership No. 111749
Mumbai, Dated : 27.05.22

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

Karma Energy Limited
(CIN : U51909MH2002PLC135840)

Standalone Statement of Profit and Loss for the period ended 31.03.22

Rupees in Lac

	Particulars	Note No	Period Ended	
			31.03.22	31.03.21
1	Income			
[a]	Revenue from Operations	20	2,753.48	2,306.53
[b]	Other Income	21	95.16	48.95
	Total Income		2,848.64	2,355.48
2	Expenses			
[a]	Operation and Maintenance Cost	22	1,705.27	1,971.16
[b]	Employee Benefits Expense	23	272.22	239.19
[c]	Finance Costs	24	340.73	525.36
[d]	Depreciation and Amortisation Expense	2A & 2B	509.13	511.04
[e]	Other Expenses	25	247.37	277.69
	Total Expenses		3,074.72	3,524.44
3	Profit / (Loss) before Exceptional Item and Tax (1 - 2)		(226.08)	(1,168.96)
4	Exceptional Items		-	-
5	Profit / (Loss) before Tax (3 + 4)		(226.08)	(1,168.96)
6	Tax Expense:			
[a]	Current Tax		50.00	-
[b]	Current Tax Expense relating to Prior Year's		44.86	0.02
[c]	Deferred Tax	28a	(108.32)	(99.87)
	Total Tax Expenses		(13.46)	(99.85)
7	Profit / (Loss) after Tax (5 - 6)		(212.62)	(1,069.11)
8	Other Comprehensive Income			
[a]	Items that will not be reclassified to Profit or Loss			
	Re-measurement Gains / (Losses) on defined benefit plans		(21.55)	(18.39)
	Tax effect		-	(0.29)
	Net Gain / (Loss) on Fair Value through OCI - Equity Securities		(2.70)	(398.29)
	Tax effect		2.16	88.66
	Total Other Comprehensive Income (Net of Tax)		(22.09)	(328.32)
	Total Comprehensive Income for the year		(234.71)	(1,397.43)
	Paid up Equity Share Capital (Rs 10/- Per Share)		1,156.99	1,156.99
9	Earning per Share (of Rs 10/- each)			
[a]	Basic	30	(1.84)	(9.24)
[b]	Diluted		(1.84)	(9.24)

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

As per our report of even date attached

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

Kaushal Mehta
Partner
Membership No. 111749
Mumbai, Dated : 27.05.22

For and on behalf of the Board

Chetan D. Mehra
(Vice Chairman)
DIN : 00022021

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

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

Karma Energy Limited**Standalone Statement of Cash Flows for the period ended 31.03.22**

Rupees in Lac

Particulars	31.03.22	31.03.21
Operating Activities		
Net Profit / (Loss) before Exceptional Items and Tax	(226.08)	(1,168.96)
<i>Adjustments for:</i>		
Depreciation and Amortisation	509.13	511.04
Finance Cost	340.73	525.36
Interest Income	(56.15)	(47.83)
Dividend Income	(0.07)	-
Loss on Sale of Fixed Asset	0.26	-
Sundry Balances Written Back / Off	0.01	1.63
Sale of Investment	(0.45)	-
Loss on Sale / Discard of Investment	0.09	-
Miscellaneous Expenditure	(0.03)	(0.02)
Operating Profit / (Loss) before Working Capital changes	567.44	(178.78)
<i>Changes in Working Capital:</i>		
<i>Adjustments for (Increase) / Decrease in Operating Assets</i>		
Inventories	12.77	12.70
Trade Receivables	(311.74)	950.23
Short Term Loans and Advances	(386.80)	0.43
Other Non Current Financial Assets	(2.84)	-
Other Current Assets	4.33	50.26
Other Non-Current Assets	(21.55)	57.46
	(138.39)	892.30
<i>Adjustments for Increase / (Decrease) in Operating Liabilities</i>		
Trade Payables	14.41	10.31
Other Current Liabilities	4.84	(0.29)
Short Term Provisions	(3.66)	(35.60)
Long Term Provisions	9.77	19.22
Other Current Financial Liabilities	(40.88)	335.39
Cash generated from Operations	(153.91)	1,221.33
Net Income Tax (Paid) / Refund	(5.31)	(113.05)
Net Cash Flow from / (used in) Operating Activities (A)	(159.22)	1,108.28
Investing Activities		
Purchase of Fixed Assets	(0.47)	(21.89)
Bank Deposits	(39.35)	(14.04)
<u>Sale of Long Term Investments</u>		
- Subsidiaries	3,500.00	-
- Others	1,551.93	-
Sale of Fixed Assets	0.20	-
Interest Income	56.15	47.83
Dividend	0.07	-
Net Cash Flow from Investing Activities (B)	5,068.53	11.90
Financing Activities		
<u>Long Term Borrowings</u>		
Loans Repaid	(648.00)	(1,028.47)
<u>Short Term Borrowings</u>		
Loans Taken	1,574.08	6,122.36
Loans Repaid	(5,515.74)	(5,663.69)
Finance Cost	(327.61)	(511.38)
Principal Payment of Lease	(21.60)	(21.60)
Net Cash Flow from Financing Activities (C)	(4,938.87)	(1,102.78)
Total (A + B + C)	(29.56)	17.40
Cash and Cash Equivalent at the Beginning of the year	57.45	40.05
Cash and Cash Equivalent at the End of the year	27.89	57.45
	(29.56)	17.40
(a) Cash on Hand	0.02	0.02
(b) Balances with Banks - in Current Accounts	27.87	57.43
	27.89	57.45

As per our report of even date attached

For and on behalf of the Board

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

Chetan D. Mehra
(Vice Chairman)
DIN : 00022021

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

Kaushal Mehta
Partner
Membership No. 111749
Mumbai, Dated : 27.05.22

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

Karma Energy Limited

Standalone Statement of Changes in Equity for the year ended 31.03.22

A. Equity Share Capital

(1) Current Reporting Period

Rupees in Lac

Balance as on 01.04.21	Changes in Equity Share Capital due to prior period errors	Restated Balance at beginning of the current reporting period	Changes in Equity Share Capital during current the year	Balance as on 31.03.22
1,156.99	-	1,156.99	-	1,156.99
1,156.99	-	1,156.99	-	1,156.99

(2) Previous Reporting Period

Balance as on 01.04.20	Changes in Equity Share Capital due to prior period errors	Restated Balance at beginning of the current reporting period	Changes in Equity Share Capital during current the year	Balance as on 31.03.21
1,156.99	-	1,156.99	-	1,156.99
1,156.99	-	1,156.99	-	1,156.99

The Company has not issued any security instruments other than Equity Share Capital as above.

Karma Energy Limited
Statement of Changes in Equity for the year ended 31.03.22

B. Other Equity

(1) Current Reporting Period

Rupees in Lac

	Share Application Money Pending Allotment	Equity Component of Compound Financial Instruments	Reserves and Surplus					Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange Differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify Nature)	Money received against share warrants	Total
			Revaluation Reserve	General Reserve	Other Reserves (Specify Name)	Retained Earnings	Re-measurement on Defined Benefit Plan								
Bal at the beginning of the reporting period 01.04.21	-	-	-	3,436.95	(146.58)	(1,487.69)	17.79	-	278.57	-	-	-	-	-	2,099.04
Total Comprehensive Income for the year	-	-	-	-	-	(212.63)	-	(0.53)	-	-	-	-	-	-	(213.16)
Re-measurement Gains / (Losses) on defined benefit plans	-	-	-	-	-	-	(21.55)	-	-	-	-	-	-	-	(21.55)
Transfer to Retained Earnings	-	-	-	-	-	7.10	-	(7.10)	-	-	-	-	-	-	-
Balance at the end of the reporting period 31.03.22	-	-	-	3,436.95	(146.58)	(1,693.22)	(3.76)	-	270.94	-	-	-	-	-	1,864.33

(2) Previous Reporting Period

	Share Application Money Pending Allotment	Equity Component of Compound Financial Instruments	Reserves and Surplus					Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange Differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify Nature)	Money received against share warrants	Total
			Revaluation Reserve	General Reserve	Other Reserves (Specify Name)	Retained Earnings	Re-measurement on Defined Benefit Plan								
Bal at the beginning of the reporting period 01.04.20	-	-	-	3,074.95	9.45	(418.59)	36.47	-	588.21	-	-	-	-	-	3,290.50
Addition on Amalgamation of Subsidiary Company				362.00	(156.03)	-	-	-	-	-	-	-	-	-	205.97
Total Comprehensive Income for the year						(1,069.11)	-	(309.63)	-	-	-	-	-	-	(1,378.74)
Re-measurement Gains / (Losses) on defined benefit plans						-	(18.69)	-	-	-	-	-	-	-	(18.69)
Balance at the end of the reporting period 31.03.21	0.00	0.00	0.00	3,436.95	(146.58)	(1,487.70)	17.78	0.00	278.58	0.00	0.00	0.00	0.00	0.00	2,099.04

As per our report of even date attached

For and on behalf of the Board

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

Chetan D. Mehra
(Vice Chairman)
DIN : 00022021

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

Kaushal Mehta
Partner
Membership No. 111749
Mumbai, Dated : 27.05.22

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

Karma Energy Limited

Notes to Standalone Financial Statements for the year ended 31.03.22

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

1.1 CORPORATE INFORMATION

Karma Energy Limited ("the Company") is a Company domiciled in India, with its Registered Office situated at Empire House, 214, Dr. D. N. Road, Ent. A. K. Nayak Marg, Fort, Mumbai - 400001. The Company has been incorporated under the provision of Indian Companies Act 1956 and its equity shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The location of its wind power plants are disclosed in the introduction to the annual report. The Company is engaged in generation of power from renewable sources like Wind.

1.2 BASIS OF PREPARATIONS AND SIGNIFICANT ACCOUNTING POLICIES

A Basis of preparation and presentation

i) Statement of Compliance

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

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

The financial statements were authorised for issue by the Company's Board of Directors on 27.05.22

ii) Functional and Presentation Currency

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

iii) Basis of measurement

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

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

1.3 Use of Estimates and Judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 40 – lease; whether an arrangement contains a lease and:
- Note 40 – lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31.03.22 is included in the following notes:

- Note 3 – useful life of Property, plant and equipment
- Note 23.1 – employee benefit plans
- Note 26 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

1.4 Summary of significant accounting policies

a i) Ind AS 16 - Property, Plant and Equipment

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

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

ii) Depreciation

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

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

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

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

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

b Leases

As a lessee

The Company has adopted 'simplified approach' under Ind AS 116 - Leases, with effect from April 01, 2019. Accordingly, the Company has recognised present value of lease liabilities of Rs. 156.63 lakhs and equal amount of 'Right of Use (ROU)' assets as on April 01, 2019. In the statement of profit and loss for the year, instead of rent expenses (as accounted under previous year), amortisation of right of use has been accounted under depreciation and amortisation expenses and unwinding of discount on lease liabilities has been accounted under finance cost. The impact on the profits / (loss) for the year due the above change in accounting policy is not material.

The Company's leases primarily consist of leasehold lands. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognizes a ROU and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and/or low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Currently, ROU assets are being amortised over a period of respective lease terms (being lower of lease term and estimated useful life of underlying assets).

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing activities in statement of cash flows."

As a lessor

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

c Borrowing Cost

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

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

d **Inventories**

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

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

e **Impairment of non-financial assets**

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

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

f **Provisions and Contingent liabilities**

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

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

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

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

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

g **Employee Benefits Expense**

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

Post-Employment Benefits :

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

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

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

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

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

h **Tax Expenses**

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

Current tax

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

Deferred tax

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

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

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

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

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

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

i **Foreign currencies transactions**

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

j **Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the contracted rate.

Income from Sale of Entitlements from Wind Power Project is accounted for as and when sold and collection is certain.

There is no impact on account of applying the Ind AS 115 Revenue from Contract with Customers instead of erstwhile Ind AS 18 - Revenue on the Financial Statements of the Company for the year ended 31.03.2019.

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

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

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

k **Financial instruments**

i) **Financial Assets**

a **Recognition and measurement**

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

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

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

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

b) Investment in Associates and Subsidiaries

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

c) Other Equity Investments

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

d) Impairment of financial assets

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

e) Derecognition

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

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

ii) **Financial liabilities**

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

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

Derecognition

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

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

iii) **Offsetting**

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

l) **Cash and Cash Equivalents**

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

m) **Earnings per share**

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

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

n **Classification of current/ non current assets and liabilities**

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

o **Measurement of fair values**

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

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

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

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

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

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

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

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

p **Cash flow statement**

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

1.5 ACCOUNTING JUDGEMENTS AND ESTIMATION OF UNCERTAINTY

a **Depreciation and useful lives of Property, Plant and Equipment**

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

b **Recoverability of trade receivable**

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

c **Provisions**

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

d **Defined benefit obligations**

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

1.6 STANDARDS ISSUED BUT NOT YET EFFECTIVE

As on the date of approval of these financial statements, there were no new standards or amendments which have been notified but not yet adopted by the Company and expected to have any material impact on the financial statements of the Company.

1.7 Recent Accounting Pronouncements

On March 23, 2022, Ministry of Corporate Affairs ('MCA') amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

Ind AS 103 - Business Combinations

The amendment clarifies that while applying the acquisition method for recognition, the assets and liabilities taken over, in a business combination, must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. The Company does not expect the amendment to have any impact in its financial statements.

Ind AS 16 – Property, Plant and Equipment

The amendment requires that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendment to have any significant impact in its financial statements

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

The amendment clarifies in relation to onerous contracts that the cost of fulfilling a contract comprises the costs that relate directly to the contract which consist of incremental costs of fulfilling that contract (examples would be direct labour, materials) and an allocation of other costs that relate directly to fulfilling contracts. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Financial Instruments

The amendment clarifies that while determining the fees paid (net of fees received) when a borrower applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability, the borrower to include only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 41 – Agriculture

The amendment relates to recognition and measurement of biological assets or agricultural produce. The Company does not expect the amendment to have any impact in its financial statements

Karma Energy Limited

Notes to the Standalone Financial Statements for the year ended 31.03.22

Note No : 2 - Property, Plant and Equipments and Right of Use Assets

A - Property, Plant and Equipments

Rupees in Lac

	Description	Gross Block			Depreciation				Net Block		
		As At 01.04.21	Additions	Deductions	As At 31.03.22	As At 01.04.21	For the Year	Adj/ Dedns	As At 31.03.22	As At 31.03.22	As At 31.03.21
	Property, Plant & Equipment :										
	Own Assets :										
1	Land - Freehold	163.27	-	-	163.27	-	-	-	-	163.27	163.27
2	Plant & Machinery	15,941.00	-	-	15,941.00	12,523.09	486.62	-	13,009.71	2,931.29	3,417.91
3	Road - Non RCC	61.37	-	-	61.37	58.29	-	-	58.29	3.08	3.08
4	Office Equipment	6.72	0.47	-	7.19	5.09	0.23	-	5.32	1.87	1.63
5	Vehicles	61.19	-	-	61.19	30.39	6.72	-	37.11	24.08	30.80
6	Wind Masts	25.83	-	-	25.83	24.44	0.02	-	24.46	1.37	1.39
7	Motor Car	28.96	-	8.71	20.25	27.25	0.10	8.26	19.09	1.16	1.71
8	Computers	2.65	-	-	2.65	2.54	-	-	2.54	0.11	0.11
9	Office Equipments	1.10	-	-	1.10	1.08	-	-	1.08	0.02	0.02
10	Furniture & Fixtures	2.03	-	-	2.03	2.02	-	-	2.02	0.01	0.01
	Total (A)	16,294.12	0.47	8.71	16,285.88	12,674.19	493.69	8.26	13,159.62	3,126.26	3,619.93

B - Right of Use Assets

	Description	Gross Block			Depreciation				Net Block		
		As At 01.04.21	Additions	Deductions	As At 31.03.22	As At 01.04.21	For the Year	Adj/ Dedns	As At 31.03.22	As At 31.03.22	As At 31.03.21
	Leasehold Land (Refer Note 1.2(B)(b))	156.63	-	-	156.63	30.90	15.45	-	46.35	110.29	125.73
	Total (B)	156.63	-	-	156.63	30.90	15.45	-	46.35	110.29	125.73

Note : Title deeds in respect of immovable properties owned by the Company are in the name of the Company

Notes to the Standalone Financial Statements for the year ended 31.03.21

Note No : 2 - Property, Plant and Equipments and Right of Use Assets

A - Property, Plant and Equipments

	Description	Gross Block			Depreciation				Net Block		
		As At 01.04.20	Additions	Deductions	As At 31.03.21	As At 01.04.20	For the Year	Adj/ Dedns	As At 31.03.21	As At 31.03.21	As At 31.03.20
	Property, Plant & Equipment :										
	Own Assets :										
1	Land - Freehold	141.82	21.45	-	163.27	-	-	-	-	163.27	141.82
2	Plant & Machinery	15,941.00	-	-	15,941.00	12,032.62	490.47	-	12,523.09	3,417.91	3,908.38
3	Road - Non RCC	61.37	-	-	61.37	58.29	-	-	58.29	3.08	3.08
4	Office Equipment	6.28	0.44	-	6.72	4.90	0.19	-	5.09	1.63	1.38
5	Vehicles	61.19	-	-	61.19	25.69	4.70	-	30.39	30.80	35.50
6	Wind Masts	25.83	-	-	25.83	24.34	0.10	-	24.44	1.39	1.49
7	Motor Car	28.96	-	-	28.96	27.12	0.13	-	27.25	1.71	1.84
8	Computers	2.65	-	-	2.65	2.54	-	-	2.54	0.11	0.11
9	Office Equipments	1.10	-	-	1.10	1.08	-	-	1.08	0.02	0.02
10	Furniture & Fixtures	2.03	-	-	2.03	2.02	-	-	2.02	0.01	0.01
	Total (A)	16,272.23	21.89	-	16,294.12	12,178.60	495.59	-	12,674.19	3,619.93	4,093.65

B - Right of Use Assets

	Description	Gross Block			Depreciation				Net Block		
		As At 01.04.20	Additions	Deductions	As At 31.03.21	As At 01.04.20	For the Year	Adj/ Dedns	As At 31.03.21	As At 31.03.21	As At 31.03.20
	Leasehold Land	156.63	-	-	156.63	15.45	15.45	-	30.90	125.73	141.18
	Total (B)	156.63	-	-	156.63	15.45	15.45	-	30.90	125.73	141.18

Karma Energy Limited

Notes to the Standalone Financial Statements for the year ended 31.03.22

Rupees in Lac (except no. of shares)

Particulars	As at 31.03.22		As at 31.03.21	
	No of Shares	Amount	No of Shares	Amount
Note No : 3				
NON - CURRENT INVESTMENTS				
Investments in Equity Instruments (Fully Paid-up)				
Quoted investments				
Fully paid up Equity Shares				
P G Foils Ltd	900	-	900	-
Sub Total A		-		-
(A) Investment measured at cost (unquoted)				
In Subsidiary				
Batot Hydro Power Ltd	-	-	3,50,00,000	3,499.55
Sub Total		-		3,499.55
Total (A)		-		3,499.55
(B) Investments measured at Fair Value through Other Comprehensive Income				
Unquoted				
Fully paid-up Equity Shares				
Windia Infrastructure Finance Ltd	-	-	39,41,900	1,544.83
Tapi Energy Projects Ltd	14,39,105	141.18	14,39,105	157.73
Bramanvel Energy Ltd	6,000	3.88	6,000	3.95
Khandesh Energy Projects Ltd	6,000	3.21	6,000	3.27
Weizmann Corporate Services Ltd	9,500	35.52	15,960	28.56
The Saraswat Co-op Bank Ltd	2,500	0.25	2,500	0.25
Bramanvel Energy Ltd	3,500	2.26	3,500	2.30
Khandesh Energy Projects Ltd	3,500	1.87	3,500	1.90
Avinaya Resources Ltd	50	0.03	50	0.03
Vajharpada Energy Ltd	-	-	9,430	0.10
Sub Total		188.20		1,742.92
Total (B)		188.20		1,742.92
Total Non Current Investments		188.20		5,242.47
Market value of quoted investments		2.83		0.73
Aggregate amount of unquoted investments		188.20		5,242.47

Karma Energy Limited

Notes to the Standalone Financial Statements for the year ended 31.03.22

Rupees in Lac

Particulars	As At	
	31.03.22	31.03.21
Note No : 4		
OTHERS - Financial Asset (Non-Current)		
[Unsecured, Considered Good]		
Security Deposits - Premises	19.97	15.94
Security Deposits - Others	16.99	18.18
Total	36.96	34.12
Note No : 5		
INVENTORIES		
(valued at lower of cost and net realisable value)		
Consumables / Spares	239.49	252.26
Total	239.49	252.26
Note No : 6		
TRADE RECEIVABLES		
(a) Unsecured, Considered Good		
Trade Receivables - Power	976.45	654.11
Trade Receivables - Others	14.76	25.37
(Note : for ageing refer note no. 32 a & b)		
Total	991.21	679.48
Note No : 7		
CASH AND CASH EQUIVALENTS		
Cash on Hand	0.02	0.02
Balance with banks :		
- In Current A/c	27.87	57.43
Total	27.89	57.45
Note No : 8		
OTHER BANK BALANCE		
- In Fixed Deposit A/c (maturity between 3 to 12 months)	1,072.29	1,032.94
- In Dividend A/c *	-	1.56
Total	1,072.29	1,034.50
Note No : 9		
LOANS (Current)		
[Unsecured, Considered Good]		
Loans & Advances to Others	-	-
Windia Infrastructure Finance Ltd **	386.80	-
(Max.O/s. Curr Yr - Rs.697.47 Lac Prev Yr - Rs Nil)		
Total	386.80	-
(Note : ** Demand Loan)		
Note No : 10		
OTHER CURRENT ASSETS		
Advances Recoverable	36.95	9.05
Prepaid Contribution to Employee benefit Plan Assets	54.50	76.28
Prepaid Expenses	37.36	47.81
Total	128.81	133.14

Karma Energy Limited

Notes to the Standalone Financial Statements for the year ended 31.03.22

Rupees in Lac (except No of Shares)

	As at 31.03.22		As at 31.03.21	
	No of Shares	Amount	No of Shares	Amount
Note No : 11				
SHARE CAPITAL				
Authorised Share Capital				
Equity Shares of Rs. 10/- each	1,80,00,000	1,800.00	1,80,00,000	1,800.00
	1,80,00,000	1,800.00	1,80,00,000	1,800.00
Issued, Subscribed & Paid Up				
Equity Shares of Rs. 10/- each	1,15,69,918	1,156.99	1,15,69,918	1,156.99
Total	1,15,69,918	1,156.99	1,15,69,918	1,156.99
NOTE [11.1]				
Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year				
Equity Shares				
At the beginning of the Year	1,15,69,918	1,156.99	1,15,69,918	1,156.99
Issued during the Year	-	-	-	-
Outstanding at the end of the Year	1,15,69,918	1,156.99	1,15,69,918	1,156.99
NOTE [11.2]				
Terms / Rights attached to Equity Shares				
a) The Company has only one class of shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.				
b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
c) The company has not issued any bonus shares or bought back the equity shares nor issued shares for consideration other than cash in the last 5 years immediately preceding the reporting date.				
NOTE [11.3]				
Details of shares held by each shareholder holding more than 5% shares :				
Shareholders	No of Shares	Holding %	No of Shares	Holding %
Radhika Mehra	7,96,715	6.89%	7,96,715	6.89%
Dharmendra G Siraj	8,44,974	7.30%	8,44,974	7.30%
Prabhanjan Multitrade Pvt Ltd	5,79,843	5.01%	5,79,843	5.01%
Anju D. Siraj	9,88,097	8.54%	9,88,097	8.54%
Inspeed Power Pvt Ltd	21,19,442	18.32%	21,19,442	18.32%
Kotta Enterprises Ltd	22,94,026	19.83%	22,94,026	19.83%

NOTE [11.4]**Details of shares held by promoters at the end of the year :**

Name of Promoter	No of Shares	% of total shares	% of change during the year
Chetan D. Mehra	3,73,607	3.23%	Nil
Name of Promoter Group	No of Shares	% of total shares	% of change during the year
Dharmendra Gulabchand Siraj	844974	7.30	0
Anju Siraj	988097	8.54	0
Arun Durgadas Mehra	133	0.00	0
Isha Siraj Kedia	16629	0.14	0
Radhika Mehra	796715	6.89	0
Shweta Siraj Mehta	-	-	0
Avinaya Resources Limited	1000	0.01	0
Hansneel Impex Private Limited	1001	0.01	0
Inspeed Power Private Limited	2119442	18.32	0
Kotta Enterprises Limited	2294026	19.83	0
Purvaja Projects Limited	1000	0.01	0
Prabhanjan Multitrade Private Limited	956614	8.27	0
Ram Krishna Iron Works Private Limited	1000	0.01	0
Sitex India Private Limited	245308	2.12	0
Tapi Energy Projects Limited	1000	0.01	0
Windia Infrastructure Finance Limited	2000	0.02	0
Weizmann Limited	500	0.00	0

Karma Energy Limited

Notes to the Standalone Financial Statements for the year ended 31.03.22

Rupees in Lac

Particulars			As At	
			31.03.22	31.03.21
Note No : 12				
OTHER EQUITY				
Capital Reserve				
Opening Balance			(146.58)	9.45
Less : Amalgamation of Greenweiz Projects Ltd			-	(156.03)
Closing Balance			(146.58)	(146.58)
General Reserve				
Opening Balance			3,436.95	3,436.95
Closing Balance			3,436.95	3,436.95
Retained Earnings				
Opening Balance			(1,496.53)	(427.43)
Add : Profit / (Loss) for the Year			(212.63)	(1,069.11)
Add : Items of OCI Earnings transferred to Retained Earnings			7.10	-
Closing Balance			(1,702.06)	(1,496.54)
Re-measurement on Defined Benefit Plan				
Opening Balance			26.63	45.31
Add : Re-measurement Gains / (Losses) on defined benefit plans			(21.55)	(18.68)
Closing Balance			5.08	26.63
Equity Instruments Through Other Comprehensive Income				
Opening Balance			278.57	588.21
Add : Movement in OCI (Net) during the year			(0.53)	(309.63)
Less : Items of OCI Earnings transferred to Retained Earnings			(7.10)	-
Closing Balance			270.94	278.58
Total			1,864.33	2,099.04
Note No : 13				
BORROWINGS (Secured)				
From Banks			1,153.52	1,728.17
Total			1,153.52	1,728.17
Note [13.1] - Secured Term Loan from Banks				
Name	Tenor	Int Rate	31.03.22	31.03.21
HDFC Bank Ltd	84 equal monthly installments starting from April 2018	9.95%	1,153.52	1,728.17
			1,153.52	1,728.17
Security against Term Loan from HDFC Bank Ltd is charged on receivable from specific wind farm of 18.0 MW. The Company has not defaulted in repayment of Principal amount and payment of Interest amount				
Note -For Current Maturities of Long Term Debt, Refer Note No.15 (Borrowings - Current)				
Note No : 14				
LONG TERM PROVISIONS				
Provision for Employee Benefits				
Leave Encashment			28.99	19.22
Total			28.99	19.22
Note No : 15				
BORROWINGS - CURRENT				
Unsecured Loans				
From Others - Inter Corporate Deposits			-	-
Tapi Energy Projects Ltd (Max O/s Curr Yr - Rs.947.25 Lac Prev Yr - Rs 2,415.93 Lac)			21.44	3,963.09
Current Maturities of Long-Term Debt			571.43	644.78
Total			592.87	4,607.87

Karma Energy Limited

Notes to the Standalone Financial Statements for the year ended 31.03.22

Rupees in Lac

Particulars	As At	
	31.03.22	31.03.21
Note No : 16		
TRADE PAYABLES		
Micro and Small enterprises	-	-
Others than Micro and Small Enterprises (Note : for ageing refer note no. 33 a & b)	41.64	27.23
Total	41.64	27.23
In case of trade payable dues for payment, ageing schedule to be given - Refer Note No		
Based on Information of status of suppliers to the extent received by the company there are no Micro and Small undertakings included in Trade Payables 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.		
Note No : 17		
OTHER FINANCIAL LIABILITIES		
Unclaimed Dividend *	-	1.57
Payable to Employees	35.79	9.12
Other Payables	274.89	342.44
Total	310.68	353.13
Note No : 18		
OTHER CURRENT LIABILITIES		
Statutory Obligations	35.39	30.55
Total	35.39	30.55
Note No : 19		
PROVISIONS		
Provision for Employee Benefits		
Leave Encashment	7.24	10.90
Total	7.24	10.90

Karma Energy Limited

Notes to the Standalone Financial Statements for the year ended 31.03.22

Rupees in Lac

Particulars	Year Ended	
	31.03.22	31.03.21
Note No : 20		
REVENUE FROM OPERATIONS		
<u>Revenue from Contracts with Customers</u>		
Sale of Power	2,179.29	2,221.62
Sale of Entitlement from Wind Power	510.76	18.06
Sale of Goods	6.70	6.36
Sale of Services	56.73	60.49
Total	2,753.48	2,306.53
Note No : 21		
OTHER INCOME		
Interest - Bank Fixed Deposit	55.99	47.67
Interest - Others	0.16	0.16
Dividend on Non Current Investments	0.07	-
Insurance Claim	1.33	0.77
Other Income	37.61	-
Bad Debts Recovered	-	0.35
Total	95.16	48.95
Note No : 22		
OPERATING AND MAINTENANCE COST		
Energy / Open Access Charges	1,199.86	1,360.06
Operation and Maintenance	397.60	533.15
Others	30.00	45.01
Stores and Spares Consumed	77.81	32.94
Total	1,705.27	1,971.16
Note No : 23		
EMPLOYEES BENEFIT EXPENSE		
Salaries, Wages and Bonus	239.95	203.04
Contribution to Provident Funds and Other Funds	12.75	14.84
Staff Welfare Expenses	19.52	21.31
Total	272.22	239.19
Note No : 23.1		
As per Indian Accounting Standard 19 "Employee Benefits", the disclosures defined are given		
The Employee's Gratuity Fund Scheme managed by Life Insurance Corporation India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the		
Assumptions		
Discount Rate	6.90%	6.06%
Salary Escalation	5.00%	0.00%
Defined Benefit Plan		
I) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Particulars		
Defined Benefit Obligation at the beginning of the year	81.94	183.10
Current Service Cost	2.57	6.22
Past Service Cost	-	0.00
Interest Cost	4.97	11.44
Liaibility Transferred in / Acquisition	0.00	0.00
Actuarial (Gain) / Loss	25.01	13.78
Benefits Paid	(7.18)	(132.60)
Defined Benefit Obligation at year end	107.31	81.94

Karma Energy Limited

Notes to the Standalone Financial Statements for the year ended 31.03.22

Rupees in Lac

Particulars	Year Ended	
	31.03.22	31.03.21
Fair value of Plan Assets at the beginning of the year	158.22	276.20
Expected Return on Plan Assets	7.14	17.23
Actuarial (Gain) / Loss	-	0.00
Employer Contribution	0.16	2.00
Assets Transferred in / Acquisition	0.00	0.00
Benefits Paid	(7.18)	(132.60)
Actual Return on Plan Assets excluding Interest Income	3.47	(4.61)
Fair value of Plan Assets at year end	161.81	158.22
III) Reconciliation of Fair Value of Assets and Obligations		
Present Value of Obligation at the end of the year	(107.31)	(81.94)
Fair value of Plan Assets	161.81	158.22
Present Value of Obligation	54.50	76.28
Amount recognised in Balance Sheet Surplus / (Deficit)	54.50	76.28
IV) Actuarial Gain / (Loss) recognised		
Actuarial (Gain) / Loss on obligations	25.01	13.78
Return on Plan Assets, Excluding Interest Income	3.47	(4.61)
Total (Gain) / Loss for the year	21.54	9.17
Actuarial (Gain) / Loss recognised in the year	21.54	9.17
V) Expenses recognised during the year		
Current Service Cost	2.57	6.22
Net Interest Cost	(2.17)	(5.80)
Past Service Cost	-	-
Return on Plan Assets	-	-
Net Cost	0.40	0.42
In Other Comprehensive Income		
Actuarial (Gain) / Loss	25.01	13.78
Return on Plan Assets	3.47	(4.61)
Net (Income) / Expense for the period Recognised in OCI	21.54	18.39
<u>Maturity Analysis of Projected Benefit Obligation - From the Fund</u>		
Projected Benefits Payable in Future Years from the date of reporting		
1st Following Year	47.50	21.07
2nd Following Year	3.84	25.26
3rd Following Year	6.44	7.99
4th Following Year	9.82	7.35
5th Following Year	6.98	5.68
Sum of years 6 to 10	46.34	23.34
<u>Sensitivity Analysis</u>		
Projected Benefits Obligation on Current Assumption	107.31	81.94
Delta Effect of +1% change in Rate of Discounting	(3.30)	(2.01)
Delta Effect of -1% change in Rate of Discounting	3.63	2.15
Delta Effect of +1% change in Rate of Salary Increase	3.66	2.12
Delta Effect of -1% change in Rate of Salary Increase	3.39	-
Delta Effect of +1% change in Rate of Employee Turnover	0.36	0.66
Delta Effect of -1% change in Rate of Employee Turnover	(0.39)	(0.70)
Note No : 24		
FINANCE COSTS		
(a) Interest Expense on		
Secured Loans	179.89	265.79
Unsecured Loans	145.83	219.71
On Lease Liabilities	13.12	13.98
Others	0.54	24.53
(b) Other Borrowing Cost	1.35	1.35
Total	340.73	525.36

Karma Energy Limited

Notes to the Standalone Financial Statements for the year ended 31.03.22

Rupees in Lac

Particulars	Year Ended	
	31.03.22	31.03.21
Note No : 25		
OTHER EXPENSES		
Payment to Auditors	4.87	5.25
Conveyance and Travelling	8.00	10.71
Director Sitting Fees	1.93	1.41
Electricity Charges	0.89	1.11
Insurance Charges	50.50	59.10
Legal and Professional Charges	34.56	25.51
Communication Expenses	3.73	5.15
Rent	7.97	8.14
Rates and Taxes	92.97	109.66
Repairs and Maintenance - Others	1.52	2.27
Miscellaneous Expenses	40.43	49.38
Total	247.37	277.69
Note No : 25.1		
Payment to Auditor		
For Statutory Audit	4.02	4.50
For Tax Audit	0.75	0.75
For Out of Pocket Expenses	0.10	-
	4.87	5.25

Karma Energy Limited

Notes to Standalone Financial Statements for the year ended 31.03.22

Note No

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

Income Tax matters Rs. 334.28 Lakh (Prev Year - Rs. 94.69 Lakh)

Note : It is not practicable for the Company to estimate the closure of the above issue and the consequential timing of cash outflow, if any.

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

Loans and Advances to Subsidiary Companies : Rs. Nil

28 (a) Deferred Tax

The breakup of Net Deferred Tax Liability as on 31.03.22

Rupees in Lakh

Particulars	Property, Plant & Equipment	Fair value of Investment	Processing fees	Others	Total
As at 31.03.2020	904.82	319.72	3.05	(52.38)	1,175.21
Charged / (Credited)					
- To Profit or Loss	(111.02)	-	1.00	5.15	(104.87)
- To Other Comprehensive Income	-	(35.29)	-	2.57	(32.72)
As at 31.03.2021	793.80	284.43	4.05	(44.66)	1,037.62
Charged / (Credited)					
- To Profit or Loss	(108.03)	-	0.29	(0.59)	(108.33)
- To Other Comprehensive Income	-	(2.16)	-	-	(2.16)
As at 31.03.2022	685.77	282.27	4.34	(45.25)	927.13

(b) Income Tax

Rupees in Lakh

Particulars	31.03.22	31.03.21
Income Tax recognised in statement of Profit & Loss Account		
Current Tax	94.86	0.02
Deferred Tax	(108.32)	(99.87)
Income Tax Expenses recognised in the Current Year	(13.46)	(99.85)

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

Particulars	31.03.22	31.03.21
Profit before Tax	(226.08)	-
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expense	(58.78)	-
Tax Effect of :		
Income not Taxable	(5.74)	-
Permanent Difference	0.14	-
Expenses not deductible	-	-
Change in Tax Rate	6.06	-
Others	44.86	-
Current Tax (A)	(13.46)	-
Income Tax Expenses recognised in the Statement of Profit & Loss A/c	(13.46)	-

29 a Financial Instruments

Accounting classification and fair values

Rupees in Lakh

Particulars	As at 31.03.22			As at 31.03.21		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Asset						
Non Current Investments *	-	188.20	-	-	1,742.92	3,499.55
Other Non Current Financial Asset	-	-	36.96	-	-	34.12
Trade Receivables	-	-	991.21	-	-	679.48
Loans	-	-	386.80	-	-	-
Cash and Cash Equivalents	-	-	27.89	-	-	57.45
Other Bank Balance	-	-	1,072.29	-	-	1,034.50
Financial Liabilities						
Long-Term Borrowings	-	-	1,153.52	-	-	1,728.17
Short-Term Borrowings	-	-	592.87	-	-	4,607.87
Trade Payable	-	-	41.64	-	-	27.23
Current & Non Current Lease Liabilities	-	-	133.92	-	-	142.40
Other Current Financial Liabilities	-	-	310.68	-	-	353.13

Note *

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

b Fair Value Measurement Hierarchy ;

Rupees in Lakh

Particulars	As at 31.03.22			As at 31.03.21		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Asset						
Non Current Investments **	-	-	188.20	-	-	1,742.92

Note **

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

Karma Energy Limited

Notes to Standalone Financial Statements for the year ended 31.03.22

Note No

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

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

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

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

c **Financial risk management**

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

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

i Risk management framework

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

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

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

ii Credit risk

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

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

Trade and other receivables

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

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

iii Liquidity risk

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

Exposure to liquidity risk

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

Contractual cash flows					
31.03.22	Carrying Amount	Total	Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Trade payables	41.64	41.64	41.64	-	-
Other financial liabilities	310.68	310.68	310.68	-	-
Long term borrowings (including Current Maturity)	1,724.95	1,724.95	-	1,724.95	-
Short term borrowings	592.87	592.87	592.87	-	-
Contractual cash flows					
31.03.21	Carrying Amount	Total	Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Trade payables	27.23	27.23	27.23	-	-
Other financial liabilities	353.13	353.13	353.13	-	-
Long term borrowings (including Current Maturity)	2,372.95	2,372.95	644.78	1,728.17	-
Short term borrowings	4,607.87	4,607.87	4,607.87	-	-

iv Market risk

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

Karma Energy Limited

Notes to Standalone Financial Statements for the year ended 31.03.22

Note No

Currency risk

The Company is not exposed to Foreign Currency Risk.

Interest risk

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

Particulars	Rupees in Lakh	
	31.03.22	31.03.21
Floating Rate Instruments		
Financial Liabilities		
Term Loans	1,724.95	2,372.95
Fixed Rate Instruments		
Financial Liabilities		
Term Loans	-	-
Inter-Corporate Deposits	21.44	3,963.09
	1,746.39	6,336.04

Cash Flow sensitivity analysis for variable-rate instruments

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

Particulars	Rupees in Lakh	
	31.03.22	31.03.21
Variable rate instruments	8.62	11.86
Cash flow sensitivity	8.62	11.86

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

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

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

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

Particulars	Rupees in Lakh	
	31.03.22	31.03.21
Impact on Other Comprehensive Income		
<u>Investments measured at Other Comprehensive Income</u>		
Increase in price by 10%	-	-
Decrease in price by 10%	-	-

30 Earning Per Share

Particulars	Rupees in Lakh	
	31.03.22	31.03.21
Net Profit / (Loss) After Tax attributable to Equity Shareholders	(212.62)	(1,069.11)
Weighted Average Number of Equity Shares	1,15,69,918	1,15,69,918
Nominal Value per Ordinary Shares	10.00	10.00
Basic and Diluted Earning Per Share	(1.84)	(9.24)

31 Related Party Disclosure

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

1 Related Party and their Relationship

Subsidiaries	
Batot Hydro Power Ltd	upto 04.02.2022

Key Management Personnel : 1 Mr. Ganesh N. Kamath - Managing Director
2 Mr. T. V. Subramanian - Company Secretary and Chief Financial Officer

2 Transactions with the related Parties

Nature of Transaction	Rupees in Lakh			
	Subsidiaries	Associates	Key Management Personnel	Total
Expenditure / Payments				
<u>Remuneration - Total</u>	-	-	71.43	71.43
	-	-	(57.44)	(57.44)
Ganesh N. Kamath	-	-	24.63	24.63
	-	-	(18.31)	(18.31)
T. V. Subramanian	-	-	46.80	46.80
	-	-	(39.13)	(39.13)

Karma Energy Limited

Notes to Standalone Financial Statements for the year ended 31.03.22

Note No

<u>Outstandings</u>				
<u>Creditors</u>	-	-	-	-
	-	-	-	-
Greenweiz Projects Ltd	-	-	-	-
	-	-	-	-

32 (a) Trade Receivables - ageing as of 31.03.22

Rupees in Lakh

Sr No	Particulars	Outstanding for following periods from due date of payment							Total
		Unbilled	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	Undisputed Trade Receivable considered good	-	56.38	227.65	410.06	297.12	-	-	991.21
2	Undisputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-	-	-
3	Undisputed Trade Receivable credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade Receivable considered good	-	-	-	-	-	-	-	-
5	Disputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-	-	-
6	Disputed Trade Receivable credit impaired	-	-	-	-	-	-	-	-
Total ==>		-	56.38	227.65	410.06	297.12	-	-	991.21

(b) Trade Receivables - ageing as of 31.03.21

Sr No	Particulars	Outstanding for following periods from due date of payment							Total
		Unbilled	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	Undisputed Trade Receivable considered good	-	65.56	254.12	317.41	28.68	13.71	-	679.48
2	Undisputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-	-	-
3	Undisputed Trade Receivable credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade Receivable considered good	-	-	-	-	-	-	-	-
5	Disputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-	-	-
6	Disputed Trade Receivable credit impaired	-	-	-	-	-	-	-	-
Total ==>		-	65.56	254.12	317.41	28.68	13.71	-	679.48

33 (a) Trade Payables - ageing as of 31.03.22

Rupees in Lakh

Sr No	Particulars	Outstanding for the following periods from due date of payment					Total
		Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	-	41.39	-	0.25	-	41.64
3	Disputed Dues - MSME	-	-	-	-	-	-
4	Disputed Dues - Others	-	-	-	-	-	-
Total ==>		0.00	41.39	-	0.25	-	41.64

(b) Trade Payables - ageing as of 31.03.21

Sr No	Particulars	Outstanding for the following periods from due date of payment					Total
		Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	-	27.23	-	-	-	27.23
3	Disputed Dues - MSME	-	-	-	-	-	-
4	Disputed Dues - Others	-	-	-	-	-	-
Total ==>		-	27.23	-	-	-	27.23

Karma Energy Limited

Notes to Standalone Financial Statements for the year ended 31.03.22

Note No

34 Following are the accounting ratios

		Numerator	Denominator	31.03.22	31.03.21	Variance	Remarks
a	Current ratio (in times)	Current Assets	Current Liabilities	2.65	0.44	504%	Reduction in borrowings
b	Debt-equity ratio (in times)	Total Debt	Shareholder's Equity	0.62	1.99	-69%	Reduction in borrowings
c	Debt service coverage ratio (in times)	Earning before Interest and Tax	Debt service	10.02	7.71	30%	Movement in ratio is due to improvement in EBITDA and repayment of borrowings
d	Return on equity ratio (%)	Net Profit After Tax	Equity	-0.18	-0.92	-80%	Reduction in expenses & increase in turnover
e	Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory	1.73	1.91	-9%	Not Applicable
f	Trade receivables turnover ratio (in times)	Sales	Average Accounts Receivable	0.82	0.50	65%	Increase in ratio due to realisation of debtors
g	Trade payables turnover ratio (in times)	Purchase / Services Utilised	Average Accounts Payable	12.38	22.15	-44%	Improvement in ratio due to decrease in cost
h	Net capital turnover ratio (in times)	Net Sales	Working Capital	1.54	-0.81	-290%	Improvement in ratio due to increase in sales
i	Net Profit ratio (%)	Net Profit after Tax	Net Sales	-0.08	-0.46	-83%	Improvement due to increase in sales & reduction in expenses
j	Return on capital employed (%)	Earning before Interest & Tax	Capital Employed	0.04	-0.20	-119%	Improvement due to increase in sales & reduction in expenses
k	Return on investment (%)	Income generated from investments	Average Investments	-	-	-	Not Applicable

35 Particulars of loan given / Investments made / guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013

Rupees in Lakh

Sr No	Equity Investments	During the Year				As At 31.03.22		As At 31.03.21	
		Purchase		Sale		Qty	Amount	Qty	Amount
		Qty	Amount	Qty	Amount				
1	Batot Hydro Power Ltd	-	-	3,50,00,000	3,499.55	-	-	3,50,00,000	3,499.55
2	Bramanvel Energy Ltd	-	-	-	-	9,500	6.14	9,500	6.25
3	Khandesh Energy Projects Ltd	-	-	-	-	9,500	5.08	9,500	5.17
4	Weizmann Corporate Services Ltd	-	-	-	-	9,500	35.52	15,960	28.56
5	Windia Infrastructure Finance Ltd	-	-	39,41,900	1,551.93	-	-	39,41,900	1,544.83
6	Saraswat Co-op Bank Ltd	-	-	-	-	2,500	0.25	2,500	0.25
7	Tapi Energy Projects Ltd	-	-	-	-	14,39,105	141.18	14,39,105	157.73
8	Avinaya Resources Ltd	-	-	-	-	50	0.03	50	0.03
9	Vajharpada Energy Ltd	-	-	-	-	0	0.00	9,430	0.10

36 Valuation

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

37 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.

38 Capital management

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

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

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

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

Rupees in Lakh

Particulars	As at 31.03.22	As at 31.03.21
Debt	1,153.52	1,728.17
Cash and Cash Equivalent	27.89	57.45
Net Debt	1,125.63	1,670.72
Equity	3,021.32	3,256.03
Net Debt to Equity Ratio	0.37	0.51

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

Karma Energy Limited

Notes to Standalone Financial Statements for the year ended 31.03.22

Note No

39 These financial statements are approved for issue by the Board of Directors of the Company on 27.05.22

40 a The company has taken land and premises on cancellable and non-cancellable operating leases. Non-cancellable leases of the Company are pertaining to leasehold lands for its windmills. These agreements contain a lease term for a period 10 years. In such lease agreements, there are no terms for purchase option or any restriction such as those concerning dividend and additional debts. Lease agreements of the Company do not contain any variable lease payment or any residual value guarantees. The Company has not entered into any sublease agreement in respect of these leases.

During the year the Company has adopted Ind AS 116. Accordingly, the Company has recognised a Right of Use asset in respect of each identified asset under leases agreements (other than short term lease of 12 months or less and lease of low value assets) and corresponding lease liability being the present value of lease payments during the lease term.

Refer note 2 for details of Right of use assets and Refer note 1.2(B)(b) for accounting policy and transition effects of first time of Ind AS 116

		Rs in Lakh
b	Sr	Particulars
	1	Lease payments accounted as rent expense
	2	Amortisation of Right of use assets
	3	Unwinding discount on lease liabilities
		Amount
		7.97
		15.45
		13.12

		Rs in Lakh
c	Sr	Particulars
	1	Due in next 1 year
	2	Due in next 1 - 3 years
	3	Due in next 3 - 5 years
	4	Due after 5 years
		Amount
		9.66
		24.83
		32.91
		66.52

d Total cash outflows in respect of lease payments (including short term and low value leases) during the year were Rs. 21.60 Lakhs (Previous Year Rs. 21.60 Lakhs)

41 NCLT had its Order dated 07.09.2021 sanctioned Scheme of Amalgamation of its wholly owned subsidiary Greenweiz Projects Limited with the Company from the appointed date 01.04.2019 and accordingly the effects has been given in the financial statements

42 The Company and It's wholly owned Subsidiary Company Batot Hydro Power Limited (BHPL) had filed a petition before NCLT seeking sanctioning of a Scheme of Amalgamation with respect to merger of the Subsidiary Company with Holding Company w.e.f the Appointed date 01.04.20. Subsequently the Board of Directorrs of the Company decided to withdraw the said petition from NCLT and further divest its entire equity stake in the said BHPL. Accordingly entire equity stake was sold on 04.02.22.

43 Greenweiz Projects Limited (GPL) - A company engaged in Operation & Maintenance (O&M) of NedWind make wind mills was a wholly owned Subsidiary of the Company.

As per scheme of amalgamation sanctioned by Hon'ble NCLT vide their Order dated 07.09.2021, GPL stood merged with the Company w.e.f the Appointed date for merger ie 01.04.2019. As GPL was already a wholly owned Subsidiary of the Company, their financials were being consolidated in the Financials of the Company as per IND AS 110, however pursuant to merger appropriate effects have been given in the financials as per IND AS 103.

The rationale for merger is consolidating power generation from wind mills and O&M of wind mills so as to achieve synergies of operation and the benefit of combined financial resources and also results in cost saving as the said subsidiary was hitherto maintaining the wind mills of the company.

As per scheme of amalgamation sanctioned by NCLT all assets & liabilities of GPL stood transferred & vested in the company at the values as appearing in the financials of GPL as at 01.04.2019 and it includes all Reserves and Surplus of GPL including Profit & Loss as of 31.03.19 of Rs 250.88 Lakh. Hence the merger did not involve any consideration payable or creation of Goodwill.

As GPL was a wholly owned subsidiary many disclosure required under IND As are not applicable.

44 No transactions to report against the following disclosure requirements as notified by MCA pursuant to amendment in Schedule III

- i Crypto Currency or Virtual Currency
- ii Benami property held under Prohibition of Benami Transactions Act, 1988 and rules made there under
- iii Registration of Charges or satisfaction with Registrar of Companies
- iv Related to borrowed funds:
 - a Wilful defaulter
 - b Utilisation of borrowed fund & share premium
 - c Borrowings obtained on the basis of security of current assets
 - d discrepancies in utilisation of borrowings
 - e Current maturiy of long term borrowings

45 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding that the intermediary Shall:

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of Company (Ultimate beneficiaries) or security or the like to or on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :

entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or; provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Karma Energy Limited

Notes to Standalone Financial Statements for the year ended 31.03.22

Note No

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

Signatures to the Notes 1 to 46 forming part of the **Standalone Balance Sheet as at 31.03.22** and the **Standalone Statement of Profit and Loss Account for the year ended 31.03.22**

As per our report of even date attached

For and on behalf of the Board

For Batliboi & Purohit

Chartered Accountants
Firm Regn. No. 101048W

Chetan D. Mehra

(Vice Chairman)
DIN : 00022021

G. N. Kamath

(Managing Director)
DIN - 00040805

Kaushal Mehta

Partner
Membership No. 111749
Mumbai, Dated : 27.05.22

T. V. Subramanian

(Chief Financial Officer
& Company Secretary)

BATLIBOI & PUROHIT

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of KARMA ENERGY LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **KARMA ENERGY LIMITED** (“the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries collectively referred to as “the Company” or “the Group”), which comprise the consolidated balance sheet as at March 31, 2022, the consolidated statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements’ section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

i. Valuation of unquoted non-current investments held at fair value

Description of Key Audit Matter:

The valuation of the Company's unquoted non-current investments held at fair value was a key area of audit focus due to the significance of the amount and complexity involved in the valuation process. The management makes significant judgements because of the complexity of the techniques and assumptions used in valuing some of the level 3 investment securities given the limited external evidence and unobservable market data available to support the Company's valuations. The valuation of the level 3 investment securities are dependent on market conditions and key assumptions made. The determination of these assumptions is complex and requires the exercise of management judgements.

See Note 1.4, k Note. 3 and Note. 30 to the financial statements.

Our response:

- We assessed the design and operating effectiveness of the Company's key controls supporting the identification, measurement and oversight of valuation risk of financial assets.
- For valuations which involved significant management judgements, we evaluated the assumptions, methodologies and models used by the Company.
- We also assess the appropriateness of the methodologies used and found that these are reasonable in the context of the relevant investments.
- We examined the calculation of the inputs used for substantive and arithmetical accuracy by performing re-calculations wherever required.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated annual financial statements, which has been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in "Other Matters" paragraph.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The consolidated financial statements include the unaudited financial information of one subsidiary namely Batot Hydro Power Limited (up to 04 February, 2022) whose financial statements reflect Group's share of total revenue of Rs. 412.71 lakhs, Group's share of total of total comprehensive loss of Rs 50.65 lakhs for the year ended on that date.

This financial information is unaudited and has been furnished to us by the management and our opinion in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited financial information.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law have been kept by the Company and its subsidiaries incorporated in India and relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Company and reports other auditors.
 - c) The consolidated balance sheet, the statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account maintained by the Company and its subsidiaries incorporated in India including the relevant records relating to the preparation of the aforesaid consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the auditors of the subsidiaries incorporated in India, none of the directors of the Company and its subsidiaries incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of such controls.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on reports of auditors of its subsidiaries incorporated in India, the remuneration paid by the Company and its subsidiaries incorporated in India to respective directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. (Refer Note 26 to the consolidated financial statements)

Chartered Accountants

- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary.
- iv.
 - a. The respective Managements of the Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiary (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The respective Managements of the Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Holding Company or the Subsidiary has not declared or paid any dividend during the year.

For BATLIBOI & PUROHIT

Chartered Accountants

ICAI Firm Reg. No.101048W

Kaushal Mehta

Partner

Membership No. 111749

Place : Mumbai

Date : May 27, 2022

ICAI UDIN: 22111749AJSWBX8775

Annexure - A to the Auditors' Report

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

Opinion

In conjunction with our audit of the consolidated financial statements of Karma Energy Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance note")

Management's Responsibility for Internal Financial Controls

The Management and Board of Directors of Holding Company is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the respective Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an Audit of Internal Financial Controls, both applicable to an Audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain Reasonable Assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the Auditor's Judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and subsidiary Companies Internal Financial Controls system over Financial Reporting with reference to their Financial statements.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Other Matters:

The Holding Company has divested its full stake in the Subsidiary i.e. Batot Hydro Power Limited as on 04 February, 2022 hence no reporting on internal financial controls of the subsidiary is applicable as on 31 March, 2022.

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

Kaushal Mehta
Partner
Membership No. 111749
Place : Mumbai
Date : May 27, 2022

ICAI UDIN : 22111749AJSWBX8775

Karma Energy Limited
(CIN - L3110MH2007PLC168823)
Consolidated Balance Sheet as at 31.03.22

Rupees in Lakh

Particulars	Note No	As At	
		31.03.22	31.03.21
ASSETS			
Non-Current Assets			
a Property, Plant and Equipment	2A	3,126.26	6,549.21
b Right of Use Assets	2B	110.28	125.73
c Capital Work in Progress		-	-
d Goodwill on Consolidation	2A	-	1,303.39
e <u>Financial Assets</u>			
i Investments	3	188.20	1,610.41
ii Others	4	36.96	37.80
f Other Non-Current Assets		-	-
Total Non-Current Assets ==>		3,461.70	9,626.54
Current Assets			
a Inventories	5	239.49	263.99
b <u>Financial Assets</u>			
i Trade Receivables - considered good unsecured	6	991.22	681.43
ii Trade Receivables - credit impaired			
iii Cash and Cash Equivalents	7	27.89	69.70
iv Bank Balances other than (ii) above	8	1,072.29	1,037.92
v Loans	9	386.80	-
c Current Tax Assets		31.64	77.87
d Other Current Assets	10	128.81	170.79
Total Current Assets ==>		2,878.14	2,301.70
Total Assets		6,339.84	11,928.24
EQUITY AND LIABILITIES			
Equity			
a Equity Share capital	11	1,156.99	1,156.99
b Other Equity	12	1,864.33	(167.94)
Non Controlling Interest		-	-
Total Equity ==>		3,021.32	989.05
Liabilities			
Non-Current Liabilities			
a <u>Financial Liabilities</u>			
i Borrowings	13	1,153.52	1,728.17
ii Lease Liabilities		124.26	132.74
b Provisions	14	28.99	19.22
c Deferred Tax Liabilities	29	927.09	1,037.60
Total Non-Current Liabilities ==>		2,233.86	2,917.73
Current Liabilities			
a <u>Financial Liabilities</u>			
i Borrowings	15	592.87	7,465.97
ii Lease Liabilities		9.66	9.66
iii Trade Payables			
(a) Micro and Small enterprises		-	-
(b) Other than Micro and Small Enterprises	16	41.64	61.76
iv Others	17	310.68	365.44
b Other Current Liabilities	18	35.39	56.66
c Provisions	19	7.24	19.28
d Current Tax Liabilities		87.15	42.68
Total Current Liabilities ==>		1,084.66	8,021.46
Total Liabilities ==>		3,318.52	10,939.19
Total Equity and Liabilities		6,339.84	11,928.24

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

As per our report of even date attached

For and on behalf of the Board

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

Chetan D. Mehra
(Vice Chairman)
DIN : 00022021

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

Kaushal Mehta
Partner
Membership No. 111749
Mumbai, Dated : 27.05.22

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

Karma Energy Limited
(CIN : U51909MH2002PLC135840)

Consolidated Statement of Profit and Loss Account for the year ended 31.03.22

Rupees in Lakh

	Particulars	Note No	Year Ended	
			31.03.22	31.03.21
1	Income			
[a]	Revenue from Operations	20	3,165.95	2,528.35
[b]	Other Income	21	95.39	49.38
	Total Income		3,261.34	2,577.73
2	Expenses			
[a]	Operation and Maintenance Cost	22	1,727.17	1,997.57
[b]	Employee Benefits Expense	23	335.75	320.63
[c]	Finance Costs	24	485.18	717.90
[d]	Depreciation and Amortisation Expense	2A & 2B	610.48	631.94
[e]	Other Expenses	25	278.61	336.90
	Total Expenses		3,437.19	4,004.94
3	Profit / (Loss) before Exceptional Item and Tax (1 - 2)		(175.85)	(1,427.21)
4	Exceptional Items		-	-
5	Profit / (Loss) before Tax (3 - 4)		(175.85)	(1,427.21)
6	Tax Expense:			
[a]	Current Tax		50.00	-
[b]	Current Tax Expense relating to Prior Year's		44.86	0.02
[c]	Deferred Tax	29	(108.32)	(99.87)
	Total Tax Expenses		(13.46)	(99.85)
7	Profit/(Loss) after Tax (5-6)		(162.39)	(1,327.36)
8	Other Comprehensive Income			
a	Items that will not be reclassified to Profit or Loss			
	Re-measurement Gains / (Losses) on defined benefit plans		(23.46)	(18.36)
	Tax effect		-	(0.29)
	Net Gain / (Loss) on Fair Value through OCI - Equity Securities		(2.70)	(398.29)
	Tax effect		2.16	88.66
	Total Other Comprehensive Income (Net of Tax)		(24.00)	(328.28)
	Total Comprehensive Income for the year		(186.39)	(1,655.64)
9	Profit for the year attributable to:			
	- Owners of the Company		(162.39)	(1,327.36)
	- Non Controlling Interest		-	-
	Total		(162.39)	(1,327.36)
10	Other comprehensive income for the year attributable to:			
	- Owners of the Company		(24.00)	(328.28)
	- Non Controlling Interest		-	-
	Total		(24.00)	(328.28)
11	Total comprehensive income for the year attributable to:			
	- Owners of the Company		(186.39)	(1,655.64)
	- Non Controlling Interest		-	-
	Total		(186.39)	(1,655.64)
12	Paid up Equity Share Capital (Rs 10/- Per Share)		1,156.99	1,156.99
13	Earning per Share (of Rs 10/- each)			
[a]	Basic		(1.40)	(11.47)
[b]	Diluted		(1.40)	(11.47)

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

As per our report of even date attached

For and on behalf of the Board

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

Chetan D. Mehra
(Vice Chairman)
DIN : 00022021

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

Kaushal Mehta
Partner
Membership No. 111749
Mumbai, Dated : 27.05.22

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

Karma Energy Limited

Consolidated Statement of Cash Flow for the year ended 31.03.22

Rupees in Lac

Particulars	31.03.22	31.03.21
Cash Flow from Operating Activities		
Net Profit / (Loss) before exceptional items and tax	(175.85)	(1,427.21)
<i>Adjustments for:</i>		
Depreciation and Amortisation	509.13	631.94
Sundry Balances Written Off	0.01	1.98
Loss on Sale of Fixed Asset	0.26	-
Profit on Sale of Investments	(0.45)	-
Loss on Sale / Discard of Investment	0.09	-
Finance Cost	340.73	717.90
Interest Income	(56.15)	(48.05)
Dividend Income	(0.07)	-
Miscellaneous Expenditure	(0.04)	-
Operating profit / (loss) before working capital changes	617.66	(123.44)
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets</i>		
Inventories	12.77	10.91
Trade receivables	(311.74)	974.46
Short-term loans and advances	(386.80)	58.05
Other current assets	4.33	52.38
Other current financial assets	(2.84)	-
Other non-current assets	(21.55)	75.85
Other non-current financial assets	-	(17.86)
	(88.17)	1,030.35
<i>Adjustments for increase / (decrease) in operating liabilities</i>		
Trade payables	14.41	(166.32)
Other current liabilities	4.84	2.21
Other current financial liabilities	(40.88)	309.09
Short-term provisions	(3.66)	(18.39)
Long-term provisions	9.77	19.22
Cash generated from operations	(103.69)	1,176.16
Net Income Tax (Paid) / Refund	(5.30)	(113.26)
Net cash flow from / (used in) operating activities (A)	(108.99)	1,062.90
Investments in Fixed Assets		
Purchase of Fixed Assets	(0.47)	(66.27)
Capital Work In Progress	-	171.14
Bank Deposits	(39.35)	(12.62)
Sale of Fixed Assets	0.20	-
Interest Income	56.15	48.05
Dividend	0.07	-
Proceeds from Sale of Investments		
- Subsidiaries (after removing the net profit for the year)	3,449.77	-
- Others	1,551.93	-
Net cash flow from Investing activities (B)	5,018.30	140.30
Financing		
<u>Long Term Borrowings</u>		
Loans Taken	-	-
Loans Repaid	(648.00)	(1,028.47)
<u>Short Term Borrowings</u>		
Loans Taken	1,574.08	6,533.66
Loans Repaid	(5,515.74)	(5,975.14)
Finance Cost	(327.61)	(691.41)
Principal Payment of Lease	(21.60)	(21.60)
Net cash flow from Financing activities (C)	(4,938.87)	(1,182.96)
Total (A + B + C)	(29.56)	20.24
Cash and Cash Equivalent at the Beginning of the year	57.45	49.46
Cash and Cash Equivalent at the End of the year	27.89	69.70
	(29.56)	20.24
Break-up of Cash and Cash Equivalent at the End of the year as under :		
(a) Cash on Hand	0.02	0.02
(b) Balances with banks in current accounts	27.87	69.68

Change in Liability arising from financing activities

As per our report of even date attached

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

Kaushal Mehta
Partner
Membership No. 111749
Mumbai, Dated : 27.05.22

For and on behalf of the Board

Chetan D. Mehra
(Vice Chairman)
DIN : 00022021

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

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

Karma Energy Limited

Consolidated Statement of Changes in Equity for the period ended 31.03.22

A. Equity Share Capital

(1) Current Reporting Period

Rupees in Lakh

Balance as on 01.04.21	Changes in Equity Share Capital due to prior period errors	Restated Balance at beginning of the current reporting period	Changes in Equity Share Capital during current the year	Balance as on 31.03.22
1,156.99	-	1,156.99	-	1,156.99
1,156.99	-	1,156.99	-	1,156.99

(2) Previous Reporting Period

Rupees in Lakh

Balance as on 01.04.20	Changes in Equity Share Capital due to prior period errors	Restated Balance at beginning of the current reporting period	Changes in Equity Share Capital during current the year	Balance as on 31.03.21
1,156.99	-	1,156.99	-	1,156.99
1,156.99	-	1,156.99	-	1,156.99

Karma Energy Limited

Consolidated Statement of Changes in Equity for the period ended 31.03.22

B. Other Equity

(1) Current Reporting Period

Rupees in Lac

	Share Application Money Pending Allotment	Equity Component of Compound Financial Instruments	Reserves and Surplus					Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange Differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify Nature)	Money received against share warrants	Total
			Securities Premium	General Reserve	Other Reserves (Capital Reserve)	Retained Earnings	Re-measurement on Defined Benefit Plan								
Bal at the beginning of the reporting period 01.04.21	-	-	-	3,436.95	108.42	(4,359.94)	22.21	-	624.42	-	-	-	-	-	(167.94)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	(0.54)	-	-	-	(1.91)	-	(2.45)
Transfer to retained earnings	-	-	-	-	-	(173.08)	-	-	-	-	-	-	-	-	(173.08)
Less : on Cessation of Subsidiary Re-measurement Gains / (Losses) on defined benefit plans	-	-	-	-	(255.00)	2,828.29	(21.55)	-	(345.85)	-	-	-	1.91	-	2,229.35 (21.55)
Transfer to Retained Earnings	-	-	-	-	-	7.10	-	-	(7.10)	-	-	-	-	-	-
Balance at the end of the reporting period 31.03.22	-	-	-	3,436.95	(146.58)	(1,697.63)	0.66	-	270.93	-	-	-	-	-	1,864.33

(2) Previous Reporting Period

	Share Application Money Pending Allotment	Equity Component of Compound Financial Instruments	Reserves and Surplus					Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange Differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify Nature)	Money received against share warrants	Total
			Securities Premium	General Reserve	Other Reserves (Capital Reserve)	Retained Earnings	Re-measurement on Defined Benefit Plan								
Bal at the beginning of the reporting period 01.04.20	-	-	-	3,074.95	342.89	(2,905.01)	40.86	-	934.05	-	-	-	-	-	1,487.74
Addition on Amalgamation of Subsidiary Company	-	-	-	362.00	(234.47)	(127.57)	-	-	-	-	-	-	-	-	(0.04)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	(309.63)	-	-	-	-	-	(309.63)
Transfer to retained earnings	-	-	-	-	-	(1,327.36)	-	-	-	-	-	-	-	-	(1,327.36)
Re-measurement Gains / (Losses) on defined benefit plans	-	-	-	-	-	-	(18.65)	-	-	-	-	-	-	-	(18.65)
Balance at the end of the reporting period 31.03.21	-	-	-	3,436.95	108.42	(4,359.94)	22.21	-	624.42	-	-	-	-	-	(167.94)

As per our report of even date attached

For and on behalf of the Board

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

Chetan D. Mehra
(Vice Chairman)
DIN : 00022021

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

Kaushal Mehta
Partner
Membership No. 111749
Mumbai, Dated : 27.05.22

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

Karma Energy Limited

Notes to Consolidated Financial Statements for the year ended 31.03.22

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

1.1 CORPORATE INFORMATION

Karma Energy Limited ("the Company") is a company domiciled in India, with its registered office at situated Empire House, 214, Dr. D. N. Road, Ent. A. K. Nayak Marg, Fort, Mumbai - 400001. The Company has been incorporated under the provision of Indian Companies Act 1956 and its equity shares are listed on National Stock Exchange and Bombay Stock Exchange in India. The location of its wind power plants are disclosed in the introduction to the annual report. The Company is engaged in generation of power from renewable sources like Wind, Hydro, etc. The Consolidated financial statements comprise the company and its interest in Associates (referred to collectively as the Group).

1.2 BASIS OF PREPARATIONS AND SIGNIFICANT ACCOUNTING POLICIES

A Basis of preparation and presentation

i) Statement of Compliance

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

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

The Consolidated financial statements were authorised for issue by the Company's Board of Directors on 27.05.22.

ii) Functional and Presentation Currency

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

iii) Basis of measurement

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

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

B Basis of Consolidation

i Subsidiaries

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

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

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

ii Non-Controlling Interests (NCI)

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

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

iii Associates

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

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

iv **Equity Method**

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

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

v **Transactions eliminated on consolidation**

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

vi **Subsidiary Companies considered in the consolidated financial statements**

Sr. No.	Name of the Entity	Principal Business	Country of Incorporation	Ownership Interest %	
				C.Y.	P.Y.
1	Batot Hydro Power Limited ***	Generation of Power	India	100.00	100.00

Note : *** The Company sold its entire equity stake in Batot Hydro Power Limited on 04.02.22.

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

NIL

viii **Principles of Consolidation**

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

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

1.3 **Use of Estimates and Judgements**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 40 – lease; whether an arrangement contains a lease and:
- Note 40 – lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31.03.22 is included in the following notes:

- Note 2 – useful life of Property, plant and equipment
- Note 36 – employee benefit plans
- Note 26 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

1.4 **Summary of significant accounting policies**

a **i) Ind AS 16 - Property, Plant and Equipment**

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

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

ii) Depreciation

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

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

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

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

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

b Leases

As a lessee

The Company has adopted 'simplified approach' under Ind AS 116 - Leases, with effect from April 01, 2019. Accordingly, the Company has recognised present value of lease liabilities of Rs. 156.63 lakhs and equal amount of 'Right of Use (ROU)' assets as on April 01, 2019. In the statement of profit and loss for the year, instead of rent expenses (as accounted under previous year), amortisation of right of use has been accounted under depreciation and amortisation expenses and unwinding of discount on lease liabilities has been accounted under finance cost. The impact on the profits / (loss) for the year due the above change in accounting policy is not material.

The Company's leases primarily consist of leasehold lands. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognizes a ROU and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and/or low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Currently, ROU assets are being amortised over a period of respective lease terms (being lower of lease term and estimated useful life of underlying assets).

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing activities in statement of cash flows."

As a lessor

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

c Borrowing Cost

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

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

d Inventories

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

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

e **Impairment of non-financial assets**

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

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

f **Provisions and Contingent liabilities**

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

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

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

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

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

g **Employee Benefits Expense**

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

Post-Employment Benefits :

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

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

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

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

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

h **Tax Expenses**

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

Current tax

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

Deferred tax

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

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

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

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

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

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

i Foreign currencies transactions

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

j Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the contracted rate.

Income from Sale of Entitlements from Wind Power Project is accounted for as and when sold and collection is certain.

There is no impact on account of applying the Ind AS 115 Revenue from Contract with Customers instead of erstwhile Ind AS 18 - Revenue on the Financial Statements of the Company for the year ended 31.03.2019.

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

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

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

k Financial instruments

i) Financial Assets

a Recognition and measurement

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

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

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

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

b Investment in Associates and Subsidiaries

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

- c **Other Equity Investments**
All other equity investments and equity instruments held for trading are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.
 - d **Impairment of financial assets**
For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.
 - e **Derecognition**
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.
- ii) **Financial liabilities**
Recognition and measurement - All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

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

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

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.
- iii) **Offsetting**
Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.
- l **Cash and Cash Equivalents**
Cash and Cash Equivalents consist of cash on hand, cash at banks, demand deposits from banks and short term, highly liquid instruments.
- m **Earnings per share**
Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.
- n **Classification of current / non current assets and liabilities**
All assets and liabilities are presented as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 Presentation of financial statements. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of current / non current classification of assets and liabilities.
- o **Measurement of fair values**
A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

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

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

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

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

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

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

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

p Cash flow statement

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

1.4 ACCOUNTING JUDGEMENTS AND ESTIMATION OF UNCERTAINTY

a Depreciation and useful lives of Property, Plant and Equipment

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

b Recoverability of trade receivable

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

c Provisions

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

d Defined benefit obligations

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

1.5 STANDARDS ISSUED BUT NOT YET EFFECTIVE

As on the date of approval of these financial statements, there were no new standards or amendments which have been notified but not yet adopted by the Company and expected to have any material impact on the financial statements of the Company.

1.6 Recent Accounting Pronouncement

On March 23, 2022, Ministry of Corporate Affairs ('MCA') amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

Ind AS 103 - Business Combinations

The amendment clarifies that while applying the acquisition method for recognition, the assets and liabilities taken over, in a business combination, must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. The Company does not expect the amendment to have any impact in its financial statements.

Ind AS 107 - Financial Instruments Disclosures

Additional disclosures have been introduced for uncertainties arising from interest rate benchmark reforms consequential to the hedge accounting related amendments in the Ind AS 109 – Financial Instruments. The Company did not have any transactions during the year to which these amendments were applicable.

Ind AS 109 - Financial Instruments

The amendment clarifies that while determining the fees paid (net of fees received) when a borrower applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability, the borrower to include only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 - Leases

A Practical expedient has been allowed to permit lessees to exclude COVID-19 related rent concessions to be treated as a lease modification. This amendment is applicable to the Company from annual reporting periods beginning on or after 1 April 2020. There were no rent concessions during the year and accordingly, there was no impact on the financial statements of the Company on adoption of the above amendments for the year.

Ind AS 1 - Presentation of Financial Statement and Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors (and Consequential Amendments to Other Ind AS)

The definition of the term "material" has been revised and is applicable prospectively for annual periods beginning on or after 01.04.20. Consequent to the revised definition of "material", certain amendments were also notified in the Ind AS 10 - Events after the Reporting Period, Ind AS 34 - Interim Financial Reporting and Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets. There was no impact on the financial statements of the Company on adoption of this amendment for the year

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

The amendment clarifies in relation to onerous contracts that the cost of fulfilling a contract comprises the costs that relate directly to the contract which consist of incremental costs of fulfilling that contract (examples would be direct labour, materials) and an allocation of other costs that relate directly to fulfilling contracts. The Company does not expect the amendment to have any significant impact in its financial statements.

Karma Energy Limited

Notes to the Consolidated Financial Statements for the year ended 31.03.22

Note No : 2 - Property, Plant and Equipment and Right of Use Assets

A - Property, Plant and Equipment

Rupees in Lakh

Description	Gross Block (Deemed Cost)				Depreciation					Net Block		
	As At 01.04.21	Addi- tions	Dedns on Cessation*	Adj / Dedns	As At 31.03.22	As at 01.04.21	For the Year	Dedns on Cessation*	Adj / Dedns	As At 31.03.22	As At 31.03.22	As At 31.03.21
Tangible Assets:												
Land - Freehold	215.43	-	52.16	-	163.27	-	-	-	-	-	163.27	215.43
Plant and Machinery	17,459.17	-	1,492.34	-	15,966.83	12,931.74	517.18	414.75	-	13,034.17	2,932.66	4,527.43
Building & Civil Engineering	2,681.70	-	2,620.32	-	61.38	910.33	70.72	922.75	-	58.30	3.08	1,771.37
Office Equipment	8.88	0.47	3.96	-	5.39	7.80	0.27	3.73	-	4.34	1.05	1.08
Computers	6.81	-	1.57	-	5.24	5.91	-	1.49	-	4.42	0.82	0.90
Furniture and Fixtures	3.82	-	1.49	-	2.33	3.56	0.03	1.41	-	2.18	0.15	0.26
Vehicles	95.08	-	4.94	8.71	81.43	62.34	6.82	4.70	8.26	56.20	25.23	32.74
Total (A)	20,470.89	0.47	4,176.78	8.71	16,285.87	13,921.68	595.02	1,348.83	8.26	13,159.61	3,126.26	6,549.21
Intangible Assets:												
Goodwill on consolidation	1,303.39	-	1,303.39	-	-	-	-	-	-	-	-	1,303.39
Total (B)	1,303.39	-	1,303.39	-	-	-	-	-	-	-	-	1,303.39
Total (A + B)	21,774.28	0.47	5,480.17	8.71	16,285.87	13,921.68	595.02	1,348.83	8.26	13,159.61	3,126.26	7,852.60

B - Right of Use Assets

Rupees in Lakh

Description	Gross Block (Deemed Cost)				Depreciation					Net Block		
	As At 01.04.21	Addi- tions	Dedns on Cessation	Adj / Dedns	As At 31.03.22	As at 01.04.21	For the Year	Dedns on Cessation	Adj / Dedns	As At 31.03.22	As At 31.03.22	As At 31.03.21
Leasehold Land	156.63	-	-	-	156.63	30.90	15.45	-	-	46.35	110.28	125.73
Total	156.63	-	-	-	156.63	30.90	15.45	-	-	46.35	110.28	125.73

Notes to the Consolidated Financial Statements for the year ended 31.03.21

Note No : 2 - Property, Plant and Equipment

Rupees in Lakh

Description	Gross Block (Deemed Cost)					Depreciation					Net Block	
	As At 01.04.20	Addi- tions	Dedns on Cessation	Deduc- tions	As At 31.03.21	As at 01.04.20	For the Year		Dedu- ctions	As At 31.03.21	As At 31.03.21	As At 31.03.20
Property, Plant & Equipment :												
Tangible Assets:												
Own Assets :												
Land - Freehold	193.98	21.45	-	-	215.43	-	-		-	-	215.43	193.98
Plant and Machinery	17,414.79	44.38	-	-	17,459.17	12,404.72	527.02		-	12,931.74	4,527.43	5,010.04
Building & Civil Engineering	2,681.70	-	-	-	2,681.70	825.97	84.36		-	910.33	1,771.37	1,855.73
Office Equipment	8.44	0.44	-	-	8.88	7.55	0.25		-	7.80	1.08	0.89
Computers	6.81	-	-	-	6.81	5.91	-		-	5.91	0.90	0.90
Furniture and Fixtures	3.82	-	-	-	3.82	3.53	0.03		-	3.56	0.26	0.29
Vehicles	95.08	-	-	-	95.08	57.51	4.83		-	62.34	32.74	37.57
Total (A)	20,404.62	66.27	-	-	20,470.89	13,305.19	616.49		-	13,921.68	6,549.21	7,099.40
Intangible Assets:												
Goodwill on consolidation	1,303.39	-	-	-	1,303.39	-	-		-	-	1,303.39	1,303.39
Total (B)	1,303.39	-	-	-	1,303.39	-	-		-	-	1,303.39	1,303.39
Total (A + B)	21,708.01	66.27	-	-	21,774.28	13,305.19	616.49		-	13,921.68	7,852.60	8,402.79

B - Right of Use Assets

Rupees in Lakh

Description	Gross Block (Deemed Cost)					Depreciation					Net Block	
	As At 01.04.20	Addi- tions	Dedns on Cessation	Adj / Dedns	As At 31.03.21	As at 01.04.20	For the Year		Adj / Dedns	As At 31.03.21	As At 31.03.21	As At 31.03.20
Leasehold Land	156.63	-	-	-	156.63	15.45	15.45		-	30.90	125.73	141.18
Total	156.63	-	-	-	156.63	15.45	15.45		-	30.90	125.73	141.18

Karma Energy Limited

Notes to the Consolidated Financial Statements for the year ended 31.03.22

Rupees in Lakh (except no. of shares)

Particulars	As at 31.03.22		As at 31.03.21	
	No of Shares	Amount	No of Shares	Amount
Note No : 3				
(B) Investments measured at Fair Value through Other Comprehensive Income				
Quoted				
<u>Fully paid up Equity Shares</u>				
P G Foils Ltd	900	-	900	-
(Aggr.Mkt Val - CY - @ Rs. 80.70 / share - Rs. 0.73 Lakh, PY - @ Rs. 48.05 / share - Rs. 0.43 Lakh)				
Sub Total - (i)		-		-
Unquoted				
<u>Fully paid up Equity Shares</u>				
Windia Infrastructure Finance Ltd	-	-	1544.83	1,427.48
Tapi Energy Projects Ltd	141.18	141.18	157.73	142.58
Avinaya Resources Limited	0.03	0.03	0.03	0.03
Brahmanvel Energy Limited	6.14	6.14	6.25	6.25
Khandesh Energy Projects Limited	5.08	5.08	5.17	5.17
Vajharpada Energy Limited	-	-	0.09	0.09
Weizmann Corporate Services Ltd	35.52	35.52	28.56	28.56
The Saraswat Co-op Bank Ltd	2500	0.25	2500	0.25
Sub Total		188.20		1,610.41
Total (B)		188.20		1,610.41
Total Non Current Investments		188.20		1,610.41
Market value of quoted investments		2.83		0.73

Karma Energy Limited

Notes to the Consolidated Financial Statements for the year ended 31.03.22

Rupees in Lakh

Particulars	As At	
	31.03.22	31.03.21
Note No : 4		
OTHERS - Financial Asset (Non-Current)		
[Unsecured, Considered Good]		
Security Deposits	36.96	37.80
Total	36.96	37.80
<u>Current Assets</u>		
Note No : 5		
INVENTORIES		
(valued at lower of cost and not realisable value)		
Stock-in-Trade, Loose Tools, Stores & Spares	239.49	263.99
Total	239.49	263.99
Note No : 6		
TRADE RECEIVABLES		
(a) Unsecured, Considered Good		
Trade Receivables - Power	976.46	654.11
Trade Receivables - Others	14.76	27.32
Note : For ageing refer note no 33 a & b		
Total	991.22	681.43
Note No : 7		
CASH AND CASH EQUIVALENTS		
Cash on Hand	0.02	0.02
Balance with banks :		
- In Current A/c	27.87	69.68
Total	27.89	69.70
Note No : 8		
OTHER BANK BALANCE		
- In Fixed Deposit A/c (maturity between 3 to 12 months)	1,072.29	1,036.36
- In Dividend A/c *	-	1.56
* Balances under Dividend A/cs are not available for general use by the Company		
Total	1,072.29	1,037.92
Note No : 9		
LOANS (Current)		
[Unsecured, Considered Good]		
Loans to Others	386.80	-
Total	386.80	-
Note No : 10		
OTHER CURRENT ASSETS		
Advances Recoverable	36.95	38.67
Prepaid Contribution to Employee benefit Plan Assets	54.50	78.83
Prepaid Expenses	37.36	53.29
Total	128.81	170.79

Karma Energy Limited

Notes to the Consolidated Financial Statements for the year ended 31.03.22

Rupees in Lakh (except no. of shares)

	As at 31.03.22		As at 31.03.21	
	No of Shares	In Lakh	No of Shares	In Lakh
Note No : 11				
SHARE CAPITAL				
Authorised Share Capital				
Equity Shares of Rs. 10/- each	18000000	1,800.00	18000000	1,800.00
	18000000	1,800.00	18000000	1,800.00
Issued, Subscribed & Paid Up				
Equity Shares of Rs. 10/- each	11569918	1,156.99	11569918	1,156.99
Total	11569918	1,156.99	11569918	1,156.99
NOTE [11.1]				
Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year				
Equity Shares				
At the beginning of the Year	11569918	1,156.99	11569918	1,156.99
Issued during the Year	-	-	-	-
Outstanding at the end of the Year	11569918	1,156.99	11569918	1,156.99
NOTE [11.2]				
Terms / Rights attached to Equity Shares				
a) The Company has only one class of shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.				
b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
c) The company has not issued any bonus shares or bought back the equity shares nor issued shares for consideration other than cash in the last 5 years immediately preceding the reporting date.				
NOTE [11.3]				
Details of shares held by each shareholder holding more than 5% shares :				
Shareholders	No of Shares	Holding %	No of Shares	Holding %
Radhika Mehra	7,96,715	6.89%	7,96,715	6.89%
Dharmendra G Siraj	8,44,974	7.30%	8,44,974	7.30%
Prabhanjan Multitrade Pvt Ltd	5,79,843	5.01%	5,79,843	5.01%
Anju D. Siraj	9,88,097	8.54%	9,88,097	8.54%
Inspeed Power Pvt Ltd	21,19,442	18.32%	21,19,442	18.32%
Kotta Enterprises Ltd	22,94,026	19.83%	22,94,026	19.83%

NOTE [11.4]**Details of shares held by promoters at the end of the year :**

Promoter Name	No of Shares	% of total shares	% of change during the year
Chetan D. Mehra	3,73,607	3.23%	Nil
Name of Promoter Group	No of Shares	% of total shares	% of change during the year
Dharmendra Gulabchand Siraj	844974	7.30	Nil
Anju Siraj	988097	8.54	Nil
Arun Durgadas Mehra	133	0.00	Nil
Isha Siraj Kedia	16629	0.14	Nil
Radhika Mehra	796715	6.89	Nil
Shweta Siraj Mehta	-	-	Nil
Avinaya Resources Limited	1000	0.01	Nil
Hansneel Impex Private Limited	1001	0.01	Nil
Inspeed Power Private Limited	2119442	18.32	Nil
Kotta Enterprises Limited	2294026	19.83	Nil
Purvaja Projects Limited	1000	0.01	Nil
Prabhanjan Multitrade Private Limited	956614	8.27	Nil
Ram Krishna Iron Works Private Limited	1000	0.01	Nil
Sitex India Private Limited	245308	2.12	Nil
Tapi Energy Projects Limited	1000	0.01	Nil
Windia Infrastructure Finance Limited	2000	0.02	Nil
Weizmann Limited	500	0.00	Nil

Karma Energy Limited

Notes to the Consolidated Financial Statements for the year ended 31.03.22

Rupees in Lakh

Particulars	As At		
	31.03.22	31.03.21	
Note No : 12			
OTHER EQUITY			
Capital Subsidy			
Opening Balance	108.42	342.89	
Less : Amalgamation of Greenweiz Projects Ltd	-	(234.47)	
Less: On Cessation of Subsidiaries	(255.00)	-	
Closing Balance	(146.58)	108.42	
General Reserve			
Opening Balance	3,436.95	3,074.95	
Add : Amalgamation of Greenweiz Projects Ltd	-	362.00	
Closing Balance	3,436.95	3,436.95	
Retained Earnings			
Opening Balance	(4,359.94)	(2,905.01)	
Less: On Cessation of Subsidiaries (refer note no 41)	2,817.60	-	
Add : Profit / (Loss) for the Year (attributable to owner's)	(162.39)	(1,327.36)	
Add : Items of OCI Earnings transferred to Retained Earnings	7.10	-	
Add : on Merger of Subsidiary	-	(127.57)	
Closing Balance	(1,697.63)	(4,359.94)	
Re-measurement on Defined Benefit Plan			
Opening Balance	22.21	40.86	
Add : Re-measurement Gains / (Losses) on defined benefit plans	(21.55)	(18.65)	
Closing Balance	0.66	22.21	
Equity Instruments Through Other Comprehensive Income			
Opening Balance	624.42	934.05	
Add : Movement in OCI (Net) during the year (attributable to owner's)	(0.54)	(309.63)	
Less: On Cessation of Subsidiaries	(345.85)	-	
Less : Items of OCI Earnings transferred to Retained Earnings	(7.10)	-	
Closing Balance	270.93	624.42	
Total	1,864.33	(167.94)	
Note No : 13			
BORROWINGS (Secured)			
From Banks	1,153.52	1,728.17	
Total	1,153.52	1,728.17	
Note [13.1] - Secured Term Loan from Banks			
Name	Tenor	31.03.22	31.03.21
HDFC Bank Ltd Rate of Interest - 9.95%	84 equal monthly installments starting from April 2018	1,153.52	1,728.17
		1,153.52	1,728.17
1. Security against Term Loan from HDFC Bank Ltd is charged on receivable from specific wind farm of 18.0 MW. The Company has not defaulted in repayment of Principal amount and payment of Interest amount			
Note No : 14			
LONG TERM PROVISIONS			
Provision for Employee Benefits			
Leave Encashment		28.99	19.22
Total		28.99	19.22
Note No : 15			
FINANCIAL LIABILITIES - CURRENT			
Unsecured Loans			
From Others		21.44	6,821.19
Current Maturities of Long-Term Debt		571.43	644.78
Total		592.87	7,465.97

Karma Energy Limited

Notes to the Consolidated Financial Statements for the year ended 31.03.22

Rupees in Lakh

Particulars	As At	
	31.03.22	31.03.21
Note : Inter Corporate Deposit (ICD) are taken from Tapi Energy Projects Ltd and Windia Infrastructure Finance Ltd and carry interest @ 6% p.a for current year & 7% for previous year. The ICD are repayable on demand.		
Note No : 16		
TRADE PAYABLES		
Micro and Small enterprises	-	-
Others than Micro and Small Enterprises	41.64	61.76
Note : For ageing refer note no 34 a & b		
Total	41.64	61.76
Note No : 17		
OTHER FINANCIAL LIABILITIES		
Payable to Employees	35.79	26.80
Other Payables	274.89	337.07
Unclaimed Dividend *	-	1.57
Total	310.68	365.44
* There are no amounts due and outstanding, to be credited to Investor Education and Protection Fund as at 31.03.21		
Note No : 18		
OTHER CURRENT LIABILITIES		
Statutory Obligations	35.39	51.47
Others	-	5.19
Total	35.39	56.66
Note No : 19		
PROVISIONS		
Employee Benefits		
Leave Encashment	7.24	18.44
Others	-	0.84
Total	7.24	19.28

Karma Energy Limited

Notes to the Consolidated Financial Statements for the year ended 31.03.22

Rupees in Lakh

Particulars	Year Ended	
	31.03.22	31.03.21
Note No : 20		
REVENUE FROM OPERATIONS		
(a) <u>Revenue from Contracts with Customers</u>		
Sale of Power and Products	2,471.99	2,506.49
(b) Other Operating Revenues	693.96	21.86
Total	3,165.95	2,528.35
Note : No adjustments were required to be made to contract price on account of any discount, rebate, refunds, price concessions, incentives, etc for revenue recognition during the year.		
Note No : 20.1		
Sale of Products comprises of		
Sale of Power	2,408.56	2,439.64
Sale of Products	6.70	6.36
Sale of Services	56.73	60.49
Total	2,471.99	2,506.49
Note No : 20.2		
Other Operating Revenues comprises of		
Sale of Entitlement from Wind / Hydro Power	693.96	21.86
Total	693.96	21.86
Note No : 21		
OTHER INCOME		
Interest - Bank Fixed Deposit	56.15	47.85
Interest - Others	0.23	0.20
Dividend - Non Current Investment	0.07	-
Insurance Claim	1.33	0.78
Other Income	37.61	0.20
Sundry Balances Written Back	-	0.35
Total	95.39	49.38
Note No : 22		
OPERATING & MAINTENANCE COST		
Energy, Open Access Charges, Stores & Spares	1,199.86	1,360.06
Operation and Maintenance	411.63	547.05
Others	36.27	53.61
Stores and Spares Consumed	79.41	36.85
Total	1,727.17	1,997.57
Note No : 23		
EMPLOYEES BENEFIT EXPENSE		
Salaries, Wages and Bonus	296.75	276.05
Contribution to Provident Fund & Other Funds	16.33	20.15
Staff Welfare Expenses	22.67	24.43
Total	335.75	320.63
Note No : 24		
FINANCE COSTS		
(a) Interest Expense on		
Secured Loans	179.89	265.79
Unsecured Loans	289.75	411.92
Lease Liabilities	13.12	13.98
Others	1.07	24.86
(b) Other Borrowing Cost	1.35	1.35
Total	485.18	717.90

Karma Energy Limited

Notes to the Consolidated Financial Statements for the year ended 31.03.22

Rupees in Lakh

Particulars	Year Ended	
	31.03.22	31.03.21
Note No : 25		
OTHER EXPENSES		
Payment to Auditors	5.51	6.00
Conveyance and Travelling	13.70	17.45
Director Sitting Fees	1.93	1.41
Electricity Charges	0.97	1.32
Insurance Charges	59.07	74.60
Legal and Professional Charges	41.30	30.69
Loss on Sale / Discard of Asset	-	-
Communication Expenses	4.07	5.48
Rent	9.98	10.30
Rates and Taxes	95.70	130.75
Repairs and Maintenance - Others	1.56	2.65
Miscellaneous Expenses	44.82	56.25
	278.61	336.90
Note No : 25.1		
Payment to Auditor		
For Statutory Audit	4.66	5.25
For Tax Audit	0.75	0.75
For Other Services	0.10	-
	5.51	6.00

Karma Energy Limited

Notes to Consolidated Financial Statements for the year ended 31.03.22

Note No

26 CONTINGENT LIABILITIES

Tax matters

Rs. 334.28 Lakh (Prev Year - Rs. 94.69 Lakh)

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

Loans and Advances to Subsidiary Companies

Nil

28 (a) INVESTMENT IN SUBSIDIARIES

The subsidiaries (which alongwith Karma Energy Limited, the parent, constitute the Group), considered in the presentation of these consolidated financial statements are

Sr No	Name of the Entity	Country of Incorporation	% of Holding
1	Batot Hydro Power Limited	India	100.00

Note : The Company has sold the entire equity stake in Batot Hydro Power Limited on 04.02.22

(b) INVESTMENT IN ASSOCIATES

Nil

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

29 DEFERRED TAX

The breakup of Net Deferred Tax Liability as on 31.03.22

Particulars	Property, Plant & Equipment	Fair value of Investments	Processing fees	Others	Total
As at 31.03.20	899.82	373.09	3.05	(50.11)	1,225.85
Charged / (Credited)					
- To Profit or Loss	(106.02)			5.80	(100.22)
- To Other Comprehensive Income		(88.66)	0.63		(88.03)
As at 31.03.21	793.80	284.43	3.68	(44.31)	1,037.60
Charged / (Credited)					
- To Profit or Loss	(108.03)			(0.33)	(108.36)
- To Other Comprehensive Income		(2.15)			(2.15)
As at 31.03.22	685.77	282.28	3.68	(44.64)	927.09

Particulars	31.03.22	31.03.21
Deferred Tax Liabilities		
On Property, Plant & Equipment	650.95	756.77
On Fair Value of Investment	282.28	284.43
On Defined Benefit Plans	2.58	2.57
On Deferred Tax on Right of Use Asset	34.82	37.03
Sub Total (a) ==>	970.63	1,080.80
Deferred Tax Assets		
Unabsorbed Depreciation	-	-
Brought Forward Business Loss	-	-
Others on account of 43B Disallowance	14.83	10.49
Deferred Tax on Right of Use Asset	28.67	32.69
Sub Total (b) ==>	43.50	43.18
Net Deferred Tax Liability (Assets) (a - b)	927.09	1,037.60

30 a Financial Instruments

Accounting classification and fair values

Rupees in Lakh

Particulars	As at 31.03.22			As at 31.03.21		
	FVTPL	FVTOCI	Amotised Cost	FVTPL	FVTOCI	Amotised Cost
Financial Asset						
Non Current Investments *	-	188.20	-	-	1,610.41	-
Other Non Current Financial Asset	-	-	36.96	-	-	37.80
Trade Receivables	-	-	991.22	-	-	681.43
Loans	-	-	386.80	-	-	-
Cash and Cash Equivalents	-	-	27.89	-	-	69.70
Other Bank Balance	-	-	1,072.29	-	-	1,037.92
Financial Liabilities						
Long-Term Borrowings	-	-	1,153.52	-	-	1,728.17
Short-Term Borrowings	-	-	592.87	-	-	7,465.97
Trade Payable	-	-	41.64	-	-	61.76
Current & Non Current Lease Liabilites	-	-	133.92	-	-	142.40
Other Current Financial Liabilities	-	-	310.68	-	-	365.44

Note * 1. Non Current Investments under FVTOCI includes Quoted and Unquoted Equity Instruments.

Karma Energy Limited

Notes to Consolidated Financial Statements for the year ended 31.03.22

Note No

b Fair Value Measurement Hierarchy ;

Rupees in Lakh

Particulars	As at 31.03.22			As at 31.03.21		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Asset						
Non Current Investments **	-	-	188.20	-	-	1,610.41

Note **

1 Non Current Investment includes Quoted and Unquoted Equity Instruments.

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

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

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

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

c Financial risk management

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

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

i Risk management framework

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

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

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

ii Credit risk

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

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

Trade and other receivables

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

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

iii Liquidity risk

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

Exposure to liquidity risk

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

Contractual cash flows					
31.03.22	Carrying Amount	Total	Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Trade payables	41.64	41.64	41.64	-	-
Other financial liabilities	310.68	310.68	310.68	-	-
Long term borrowings	1,153.52	1,153.52	-	1,153.52	-
Short term borrowings	592.87	592.87	592.87	-	-

Karma Energy Limited

Notes to Consolidated Financial Statements for the year ended 31.03.22

Note No

Contractual cash flows					
31.03.21	Carrying Amount	Total	Upto 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities					
Trade payables	61.76	61.76	61.76	-	-
Other financial liabilities	365.44	365.44	365.44	-	-
Long term borrowings	1,728.17	1,728.17	-	1,728.17	-
Short term borrowings	7,465.97	7,465.97	7,465.97	-	-

iv Market risk

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

Currency risk

The Company is not exposed to Foreign Currency Risk.

Interest risk

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

Particulars	Rupees in Lakh	
	31.03.22	31.03.21
Floating Rate Instruments		
Financial Liabilities		
Term Loans	1,153.52	1,728.17
Fixed Rate Instruments		
Financial Liabilities		
Term Loans	-	-
Inter-Corporate Deposits	592.87	7,465.97
	1,746.39	9,194.14

Cash Flow sensitivity analysis for floating-rate instruments

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

Particulars	Rupees in Lakh	
	31.03.22	31.03.21
Floating rate instruments	5.77	8.64
Cash flow sensitivity	5.77	8.64

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

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

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

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

Particulars	31.03.22	31.03.21
Impact on Other Comprehensive Income		
<u>Investments measured at Other Comprehensive Income</u>		
Increase in price by 10%	-	-
Decrease in price by 10%	-	-

31 EARNINGS PER SHARE

Particulars	31.03.22	31.03.21
Net Profit / (Loss) After Tax attributable to Equity Shareholders	(162.39)	(1,327.36)
Weighted Average Number of Equity Shares	11569918	11569918
Nominal Value per Ordinary Shares	10.00	10.00
Basic & Diluted Earning Per Share	(1.40)	(11.47)

32 RELATED PARTY DISCLOSURE

In accordance with the "Indian Accounting Standard 24 – Related Party Disclosure" as per Companies (Accounting Standards) Rules, the Company has compiled and certified the required information as stated below:

1 Related Party and their Relationship

Key Management Personnel

Mr. Ganesh N. Kamath - Managing Director

Mr. T. V. Subramanian - Company Secretary and Chief Financial Officer

Karma Energy Limited

Notes to Consolidated Financial Statements for the year ended 31.03.22

Note No

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

Nature of Transaction	Key Management Personnel	
	31.03.22	31.03.21
<u>Remuneration</u>	71.43	57.44
Ganesh N. Kamath - Managing Director	24.63	18.31
T.V.Subramanian - Company Secretary and Chief Financial Officer	46.80	39.13

33 (a) Trade Receivables - ageing as of 31.03.22

Sr No	Particulars	Outstanding for following periods from due date of payment							Total
		Unbilled	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	Undisputed Trade Receivable considered good	-	56.38	227.65	410.06	297.13	-	-	991.22
2	Undisputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-	-	-
3	Undisputed Trade Receivable credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade Receivable considered good	-	-	-	-	-	-	-	-
5	Disputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-	-	-
6	Disputed Trade Receivable credit impaired	-	-	-	-	-	-	-	-
Total ==>		-	56.38	227.65	410.06	297.13	-	-	991.22

(b) Trade Receivables - ageing as of 31.03.21

Sr No	Particulars	Outstanding for following periods from due date of payment							Total
		Unbilled	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	Undisputed Trade Receivable considered good	-	65.56	254.12	317.41	30.63	13.71	-	681.43
2	Undisputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-	-	-
3	Undisputed Trade Receivable credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade Receivable considered good	-	-	-	-	-	-	-	-
5	Disputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-	-	-
6	Disputed Trade Receivable credit impaired	-	-	-	-	-	-	-	-
Total ==>		-	65.56	254.12	317.41	30.63	13.71	-	681.43

34 (a) Trade Payables - ageing as of 31.03.22

Sr No	Particulars	Outstanding for the following periods from due date of payment					Total
		Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	-	41.39	-	0.25	-	41.64
3	Disputed Dues - MSME	-	-	-	-	-	-
4	Disputed Dues - Others	-	-	-	-	-	-
Total ==>		-	41.39	-	0.25	-	41.64

Karma Energy Limited

Notes to Consolidated Financial Statements for the year ended 31.03.22

Note No

(b) Trade Payables - ageing as of 31.03.21

Sr No	Particulars	Outstanding for the following periods from due date of payment					Total
		Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	-	61.76	-	-	-	61.76
3	Disputed Dues - MSME	-	-	-	-	-	-
4	Disputed Dues - Others	-	-	-	-	-	-
Total ==>		-	61.76	-	-	-	61.76

35 Following are the accounting ratios

Sr		Numerator	Denominator	31.03.22	31.03.21	Variance	Remarks
a	Current ratio (in times)	Current Assets	Current Liabilities	2.65	0.29	825%	Reduction in borrowings
b	Debt-equity ratio (in times)	Total Debt	Shareholder's Equity	0.43	1.89	-77%	Reduction in borrowings
c	Debt service coverage ratio (in times)	Earning before Interest and Tax	Debt service	8.08	6.58	23%	Not Applicable
d	Return on equity ratio (%)	Net Profit After Tax	Equity	-0.14	-1.15	-88%	Reduction in expenses & increase in turnover
e	Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory	1.72	1.85	-7%	Not Applicable
f	Trade receivables turnover ratio (in times)	Sales	Average Accounts Receivable	0.95	0.54	75%	Increase in ratio due to realisation of debtors
g	Trade payables turnover ratio (in times)	Purchase / Services Utilised	Average Accounts Payable	8.35	3.45	142%	Improvement in ratio due to decrease in cost
h	Net capital turnover ratio (in times)	Net Sales	Working Capital	1.77	-0.44	-499%	Improvement in ratio due to increase in sales
i	Net Profit ratio (%)	Net Profit after Tax	Net Sales	-0.05	-0.52	-90%	Improvement due to increase in sales & reduction in expenses
j	Return on capital employed (%)	Earning before Interest & Tax	Capital Employed	-0.06	-1.44	-96%	Improvement due to increase in sales & reduction in expenses
k	Return on investment (%)	Income generated from investments	Average Investments	-	-	-	Not Applicable

36 EMPLOYEE BENEFIT

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

Particulars	31.03.22	31.03.21
Assumptions		
Discount Rate	6.90%	6.06%
Salary Escalation	5.00%	0.00%
Defined Benefit Plan		
I) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Particulars		
Defined Benefit Obligation at the beginning of the year	97.25	196.67
Current Service Cost	2.57	7.63
Funds Transferred on cessation of subsidiary	(15.31)	-
Past Service Cost	-	-
Interest Cost	4.97	12.27
Actuarial (Gain) / Loss	25.01	13.67
Benefits Paid	(7.18)	(132.99)
Defined Benefit Obligation at year end	107.31	97.25

Karma Energy Limited

Notes to Consolidated Financial Statements for the year ended 31.03.22

Note No

II) Reconciliation of opening and closing balances of fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	171.01	287.45
Expected Return on Plan Assets	7.14	17.94
Funds Transferred on cessation of subsidiary	(12.79)	
Actuarial (Gain) / Loss	-	-
Employer Contribution	0.16	3.30
Benefits Paid	(7.18)	(132.99)
Actual Return on Plan Assets excluding Interest Income	3.47	(4.69)
Fair value of Plan Assets at year end	161.81	171.01
III) Reconciliation of Fair Value of Assets and Obligations		
Present Value of Obligation at the end of the year	(107.31)	(97.25)
Fair value of Plan Assets	161.81	171.01
Present Value of Obligation	54.50	73.76
Amount recognised in Balance Sheet (Surplus / (Deficit))	54.50	73.76
IV) Actuarial Gain / (Loss) recognised		
Actuarial (Gain) / Loss on obligations	25.01	13.67
Return on Plan Assets, Excluding Interest Income	3.47	(4.69)
Total (Gain) / Loss for the year	21.54	18.36
Actuarial (Gain) / Loss recognised in the year	21.54	18.36
V) Expenses recognised during the year		
Current Service Cost	2.57	7.63
Net Interest Cost	(2.17)	(5.67)
Past Service Cost	-	-
Return on Plan Assets	-	-
Net Cost	0.40	1.96
In Other Comprehensive Income		
Actuarial (Gain) / Loss	25.01	13.67
Actuarial (Gain) / Loss of subsidiary - upto the date of sale of stake	1.91	-
Return on Plan Assets	3.47	(4.69)
Net (Income) / Expense for the period Recognised in OCI	23.45	18.36
Maturity Analysis of Projected Benefit Obligation - From the Fund		
Projected Benefits Payable in Future Years from the date of reporting		
1st Following Year	47.50	13.63
2nd Following Year	3.84	21.34
3rd Following Year	6.44	4.67
4th Following Year	9.82	4.54
5th Following Year	6.98	3.30
Sum of years 6 to 10	46.34	12.32
Sensitivity Analysis		
Projected Benefits Obligation on Current Assumption	107.31	97.25
Delta Effect of +1% change in Rate of Discounting	(3.30)	(1.25)
Delta Effect of -1% change in Rate of Discounting	3.63	1.34
Delta Effect of +1% change in Rate of Salary Increase	3.66	1.26
Delta Effect of -1% change in Rate of Salary Increase	3.39	-
Delta Effect of +1% change in Rate of Employee Turnover	0.36	0.41
Delta Effect of -1% change in Rate of Employee Turnover	(0.39)	(0.44)

37 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.

38 Capital management

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

The capital structure of the company consists of net debt (borrowings as detailed in notes No. 13 & 17 offset by cash and cash equivalents) and equity of the Company (comprising issued capital, reserves and retained earnings as detailed in notes 11 and 12).

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

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

Particulars	Rupees in Lakh	
	As at 31.03.22	As at 31.03.21
Debt	1,153.52	1,728.17
Cash and Cash Equivalent	27.89	69.70
Net Debt	1,125.63	1,658.47
Equity	3,021.32	989.05
Net Debt to Equity Ratio	0.37	1.68

Debt is defined as long-term borrowings including current maturities of long term borrowings, as given in notes 13 and 17.

Karma Energy Limited

Notes to Consolidated Financial Statements for the year ended 31.03.22

Note No

39 These financial statements are approved for issue by the Board of Directors of the Company on 27.05.22

40 a The company has taken land and premises on cancellable and non-cancellable operating leases. Non-cancellable leases of the Company are pertaining to leasehold lands for its windmills. These agreements contain a lease term for a period 10. In such lease agreements, there are no terms for purchase option or any restriction such as those concerning dividend and additional debts. Lease agreements of the Company do not contain any variable lease payment or any residual value guarantees. The Company has not entered into any sublease agreement in respect of these leases.

During the year the Company has adopted Ind AS 116. Accordingly, the Company has recognised a Right of Use asset in respect of each identified asset under leases agreements (other than short term lease of 12 months or less and lease of low value assets) and corresponding lease liability being the present value of lease payments during the lease term.

Refer note 2 for details of Right of use assets and Refer note 1.2(B)(b) for accounting policy and transition effects of first time of Ind AS 116

		Rs in Lakh
Sr	Particulars	Amount
1	Lease payments accounted as rent expense	7.97
2	Amortisation of Right of use assets	15.45
3	Unwinding discount on lease liabilities	13.12

		Rs in Lakh
Sr	Particulars	Amount
1	Due in next 1 year	9.66
2	Due in next 1 - 3 years	24.83
3	Due in next 3 - 5 years	32.91
4	Due after 5 years	66.52

d Total cash outflows in respect of lease payments (including short term and low value leases) during the year were Rs. 21.60 Lakhs (Previous Year Rs. 21.60 Lakhs)

41 Ind AS110 - Consolidated Financial Statements - During the year the Company has divested its entire stake in its 100% subsidiary Batot Hydro Power Limited (BHPL) as on 04.02.2022

Reconciliation

Particulars	
Purchase Consideration	3,500.00
Goodwill reversed	(1,303.39)
Net asset reversed	(334.25)
Effect of other inter company adjustments	162.01
Profit on deconsolidation of subsidiary	2,024.37
Other adjustments:	
Preacquisition reserves of merged subsidiary transferred to retained earning on merger	192.38
Opening capital reserve on consolidation reversed	255.00
Opening OCI transferred to Retained earnings	345.85
Amount adjusted in retained earning	2,817.60

42 NCLT had its Order dated 07.09.2021 sanctioned Scheme of Amalgamation of its wholly owned subsidiary Greenweiz Projects Limited with the Company from the appointed date 01.04.2019 and accordingly the effects has been given in the financial statements

43 The Company and It's wholly owned Subsidiary Company Batot Hydro Power Limited (BHPL) had filed a petition before NCLT seeking sanctioning of a Scheme of Amalgamation with respect to merger of the Subsidiary Company with Holding Company w.e.f the Appointed date 01.04.20. Subsequently the Board of Directorrs of the Company decided to withdraw the said petition from NCLT and further divest its entire equity stake in the said BHPL. Accordingly entire equity stake was sold on 04.02.22.

44 Ind AS103 - Business Combinations

Greenweiz Projects Limited (GPL) - A company engaged in Operation & Maintenance (O&M) of NedWind make wind mills was a wholly owned Subsidiary of the Company.

As per scheme of amalgamation sanctioned by Hon'ble NCLT vide their Order dated 07.09.2021, GPL stood merged with the Company w.e.f the Appointed date for merger ie 01.04.2019. As GPL was already a wholly owned Subsidiary of the Company, their financials were being consolidated in the Financials of the Company as per IND AS 110, however pursuant to merger appropriate effects have been given in the financials as per IND AS 103.

The rationale for merger is consolidating power generation from wind mills and O&M of wind mills so as to achieve synergies of operation and the benefit of combined financial resources and also results in cost saving as the said subsidiary was hitherto maintaining the wind mills of the company.

As per scheme of amalgamation sanctioned by NCLT all assets & liabilities of GPL stood transferred & vested in the company at the values as appearing in the financials of GPL as at 01.04.2019 and it includes all Reserves and Surplus of GPL including Profit & Loss as of 31.03.19 of Rs 250.88 Lakh. Hence the merger did not involve any consideration payable or creation of Goodwill.

As GPL was a wholly owned subsidiary many disclosure required under IND As are not applicable.

Karma Energy Limited

Notes to Consolidated Financial Statements for the year ended 31.03.22

Note No

- 45** No transactions to report against the following disclosure requirements as notified by MCA pursuant to amendment in Schedule III
- i Crypto Currency or Virtual Currency
 - ii Benami property held under Prohibition of Benami Transactions Act, 1988 and rules made there under
 - iii Registration of Charges or satisfaction with Registrar of Companies
 - iv Related to borrowed funds:
 - a Wilful defaulter
 - b Utilisation of borrowed fund & share premium
 - c Borrowings obtained on the basis of security of current assets
 - d discrepancies in utilisation of borrowings
 - e Current maturity of long term borrowings

- 46** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding that the intermediary Shall:

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of Company (Ultimate beneficiaries) or security or the like to or on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :

entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or; provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

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

Signatures to the Notes 1 to 47 forming part of the **Consolidated Balance Sheet as at 31.03.22** and the **Consolidated Statement of Profit & Loss Account for the year ended 31.03.22**

As per our report of even date attached

For and on behalf of the Board

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

Chetan D. Mehra
(Vice Chairman)
DIN : 00022021

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

Kaushal Mehta
Partner
Membership No. 111749
Mumbai, Dated : 27.05.22

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

Karma Energy Limited

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

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

Rs. in Lacs

Name of the Enterprise	Net Assets i.e Total Assets minus Total Liabilities		Share of Profit or Loss		Share of Other Comprehensive Income		Share of Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
<u>PARENT</u>								
Karma Energy Limited	#DIV/0!	-	125.92%	(234.71)	92.04%	(22.09)	125.92%	(234.71)
<u>SUBSIDIARIES</u>								
Batot Hydro Power Limited	#DIV/0!	0.00	-4.71%	8.78	7.96%	(1.91)	-4.71%	8.78
Minority Interest	#DIV/0!	-	0.00%	-				
Inter Company Adjustments	#DIV/0!	0.00	-21.21%	39.54	0.00%	-	-21.21%	39.54
Total	#DIV/0!	0.00	100.00%	(186.39)	100.00%	(24.00)	100.00%	(186.39)

Karma Energy Limited

Annexure

Form AOC-I

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

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

Part "A" : Subsidiaries

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

1	Sl. No.	1
2	Name of the Subsidiary	Batot Hydro Power Ltd
3	Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	No
4	Reporting Currency and Exchange Rate as on the last date of relevant Financial Year in the case of Foreign Subsidiaries	INR
5	Share Capital	-
6	Reserves & Surplus	-
7	Total Assets	-
8	Total Liabilities	-
9	Investments	-
10	Turnover	455.17
11	Profit before Taxation	10.69
12	Provision for Taxation	-
13	Profit after Taxation	10.69
14	Proposed Dividend	-
15	% of Shareholding	100.00

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

1 Names of Subsidiaries which are yet to commence operations

NIL

2 Names of Subsidiaries which have been sold during the year

Batot Hydro Power Ltd

Part "B" : Associates and Joint Ventures

	Name of the Associates / Joint Ventures	N.A.
1	Latest Audited Balance Sheet Date	
2	Shares of Associate / Joint Ventures held by the Company on the year end No Amount of Investment in Associates / Joint Venture Extend of Holding %	
3	Description of how there is significant influence	
4	Reason why the Associate / Joint Venture is not consolidated	
5	Networth attributable to Shareholding as per latest Audited Balance Sheet	
6	Profit / (Loss) for the year a) Considered in Consolidation b) Not Considered in Consolidation	

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

1 Names of Associate or Joint Ventures which are yet to commence operations

NIL

2 Names of Associate or Joint Ventures which have been sold during the year

NIL



(CIN : L31101MH2007PLC168823)

Empire House, 214, Dr. D. N. Road,
Ent. A.K. Nayak Marg, Fort, Mumbai – 1