

# BATLIBOI & PUROHIT

## Chartered Accountants

### LIMITED REVIEW REPORT ON REVIEW OF UNAUDITED INTERIM FINANCIAL RESULTS OF KARMA ENERGY LIMITED

#### TO THE BOARD OF DIRECTORS OF KARMA ENERGY LIMITED

1. We have reviewed the accompanying statement of unaudited financial results (the Statement) of Karma Energy Limited (‘the Company’) for the quarter and nine months ended December 31, 2017, being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company’s Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information performed by the Independent Auditor of the entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the Indian Accounting Standards (‘Ind AS’) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Attention is drawn to the fact that the figures for the corresponding quarter and nine months ended on December 31, 2016, including the reconciliation of profit of the aforesaid quarter as per Ind AS with profit reported under previous GAAP, as reported in these unaudited financial results have been approved by the Company’s Board of Directors but have not been subjected to our review.

**For BATLIBOI & PUROHIT**

*Chartered Accountants*

Firm Reg No. 101048W

**Atul Mehta**

Partner

Membership No. 015935

Place: Mumbai

Dated: 5<sup>th</sup> February 2018



# Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

Regd. Office : Empire House, 214, Dr. D. N. Road, Ent. A. K. Nayak Marg, Fort, Mumbai - 400001

Statement of Standalone Unaudited Results for the Quarter and Nine Months Ended 31.12.2017

	Particulars	Quarter Ended			Nine Months Ended	
		31.12.2017 Unaudited (Rs.in Lac)	30.09.2017 Unaudited (Rs.in Lac)	31.12.2016 Unaudited (Rs.in Lac)	31.12.2017 Unaudited (Rs.in Lac)	31.12.2016 Unaudited (Rs.in Lac)
<b>1</b>	<b>Income</b>					
[a]	Revenue from Operations	680.63	1,308.94	430.51	2,747.09	2,462.17
[b]	Other Income	0.09	6.30	8.30	14.85	103.04
	<b>Total Income</b>	<b>680.72</b>	<b>1,315.24</b>	<b>438.81</b>	<b>2,761.94</b>	<b>2,565.21</b>
<b>2</b>	<b>Expenses</b>					
[a]	Cost of Materials Consumed	-	-	-	-	-
[b]	Purchase of Stock-in-Trade	-	-	-	-	-
[c]	Changes in Inventories	-	-	-	-	-
[d]	Employee Benefits Expense	58.34	57.30	80.07	181.30	238.00
[e]	Finance Costs	117.34	141.00	154.55	359.46	605.51
[f]	Depreciation and Amortisation Expense	125.52	125.51	125.55	375.19	376.57
[g]	Operation & Maintenance Cost	79.31	110.00	86.88	281.32	294.47
[h]	Energy & Other Direct Costs	202.40	578.33	40.90	1,159.04	233.51
[i]	Bad Debts Written Off [Refer Note - 7]	493.30	-	-	493.30	-
[i]	Other Expense	57.51	62.31	33.12	171.27	103.19
	<b>Total expenses</b>	<b>1,133.72</b>	<b>1,074.45</b>	<b>521.07</b>	<b>3,020.88</b>	<b>1,851.25</b>
<b>3</b>	<b>Profit/(Loss) from Operations before Exceptional Items (1-2)</b>	<b>(453.00)</b>	<b>240.79</b>	<b>(82.26)</b>	<b>(258.94)</b>	<b>713.96</b>
<b>4</b>	<b>Exceptional Items</b>	-	-	-	-	-
<b>5</b>	<b>Profit/(Loss) from Ordinary Activities after Exceptional Items (3+4)</b>	<b>(453.00)</b>	<b>240.79</b>	<b>(82.26)</b>	<b>(258.94)</b>	<b>713.96</b>
<b>6</b>	<b>Extraordinary Items</b>	-	-	-	-	-
<b>3</b>	<b>Profit / (Loss) before Tax (1 - 2)</b>	<b>(453.00)</b>	<b>240.79</b>	<b>(82.26)</b>	<b>(258.94)</b>	<b>713.96</b>
<b>4</b>	<b>Tax Expense</b>					
	Current Tax	(89.11)	99.91	12.09	31.71	352.10
	Deferred Tax Charge / (Credit)	(33.78)	(30.58)	(35.81)	(95.82)	(113.77)
<b>5</b>	<b>Profit / (Loss) after Tax (3 - 4)</b>	<b>(330.11)</b>	<b>171.46</b>	<b>(58.54)</b>	<b>(194.83)</b>	<b>475.63</b>
	<b>Other Comprehensive Income</b>					
i	Items that will not be reclassified to Profit or Loss					
	Re-measurement Gains / (Losses) on defined benefit plans	2.84	2.85	3.86	8.53	11.58
	Tax effect on above	(0.78)	(0.79)	(1.06)	(2.35)	(3.19)
	Net Gain / (Loss) on Fair Value through OCI - Equity Securities	2,417.41	1,537.91	104.95	3,958.05	60.90
	Tax effect on above	(531.23)	(338.71)	13.41	(869.94)	13.41
ii	Items that will be reclassified to Profit or Loss	-	-	-	-	-
	<b>Total Other Comprehensive Income (Net of Tax)</b>	<b>1,888.24</b>	<b>1,201.26</b>	<b>121.16</b>	<b>3,094.29</b>	<b>82.70</b>
	<b>Total Comprehensive Income for the period</b>	<b>1,558.13</b>	<b>1,372.72</b>	<b>62.62</b>	<b>2,899.46</b>	<b>558.33</b>
<b>6</b>	<b>Paid up Equity Share Capital (Rs 10/- Per Share)</b>	<b>1,156.99</b>	<b>1,156.99</b>	<b>1,156.99</b>	<b>1,156.99</b>	<b>1,156.99</b>
<b>7</b>	<b>Earning per Share (before extraordinary itmes) (of Rs 10/- each) (not annualised)</b>					
(a)	Basic (in Rs.)	(2.85)	1.48	(0.51)	(1.68)	4.11
(b)	Diluted (in Rs.)	(2.85)	1.48	(0.51)	(1.68)	4.11
	See accompanying note to the financial results					

**NOTES :**

- 1 These results have been approved at the meeting of the Board of Directors held on February 05, 2018
- 2 With effect from 1 April 2017, the Company has adopted Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder. Accordingly, the Financial Results of the Company for the quarter and nine months ended December 31, 2017 have been prepared in accordance with Ind AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated July 05, 2016. Further, the impact of transition has been accounted for in the opening reserves and the comparative period results have been restated accordingly. The Opening Balance Sheet as at April 01, 2016 and the results for the subsequent periods would be finalised and will be subject to audit at the time of Annual Financial Statements for the year ending March 31, 2018.
- 3 The Ind AS compliant financial results for the quarter and nine months ended December 31, 2016, have not been audited nor reviewed by the Statutory Auditors. However, the management has exercised necessary due diligence to ensure that the said financial results provide a true and fair view of its affairs.
- 4 The Company is primarily operating in the business of Generation of Power from Renewable Sources. Hence, there is only one business segment as per Ind-AS 108 - Operating Segments.



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# Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

Regd. Office : Empire House, 214, Dr. D. N. Road, Ent. A. K. Nayak Marg, Fort, Mumbai - 400001

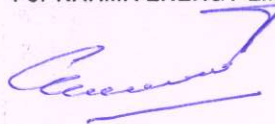
## Statement of Standalone Unaudited Results for the Quater and Nine Months Ended 31.12.2017

- 5 As required under Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Limited Review by the Statutory Auditors has been completed for the quarter and nine months ended December 31, 2017, and the Report has been forwarded to the stock exchanges. The Report does not contain any qualification.
- 6 During this quarter the company has calculated the fair values of its unquoted investments as on December 31, 2017, March 31, 2017, December 31, 2016 and March 31, 2016. Accordingly, the impact of the changes in fair value has been shown under Other Comprehensive Income.
- 7 In quarter ended December 2017, the Company has written off as bad debts an amount of Rs. 493.30 lac, being power generation receivables from utilities on account continuous uncertainty in realisation.
- 8 The Board of Directors in the meeting dated November 17, 2017 have approved a scheme of arrangement for acquiring a 7.2 MW wind farm from Weizmann Forex Limited which is demerging it's wind power division from the demerger appointed date April 1, 2017 and same is subject to obtaining approvals, permissions, no objections from Shareholders, Stock Exchanges, National Company Law Tribunal and such other relevant Agencies and Authorities
- 9 Reconciliation of the net profit for the quarter ended December 31, 2016, as reported under previous GAAP and now under Ind AS is as follows:

Particulars	Rs. In Lac
	Quarter Ended 31.12.2016
Net Profit as per Previous GAAP	(56.03)
Re-measurement Gains / (Losses) on defined benefit plans accounted in OCI	(3.86)
Amortisation Reversal on re-classification of Lease Hold Land	0.44
Tax effect on above (wherever applicable)	0.91
<b>Net Profit as per Ind-AS</b>	<b>(58.54)</b>

- 9 Previous period's figures have been regrouped / reclassified wherever necessary to confirm to this period's classification.

For KARMA ENERGY LIMITED



Ganesh N Kamath  
Managing Director  
DIN - 00040805

Place : Mumbai, Date : 05.02.2018

