

U.B.SURA & CO

CHARTERED ACCOUNTANTS

14, KRISHNA KUNJ, 144/45, M. G. ROAD

GHATKOPAR (EAST), MUMBAI-400 077

Tel. 21022735, 21022095 email: caubsura@gmail.com

Auditor's Report on Quarterly financial results of Karma Energy Limited pursuant to Clause 41 of the Listing Agreement

1. We have reviewed the quarterly financial results of **Karma Energy Limited** for the quarter ended **September 30, 2015**, attached herewith, being submitted by the company pursuant to the requirement of Clause 41 of the Listing Agreement, *except* for the disclosure regarding 'Public Shareholding and Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards, specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the standard generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement(s). An audit includes examining, on test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is invited to the note no 2, to the accompanying quarterly financial results the company has continued to feed the wind power generated from its 18MW wind farm at Maharashtra into the grid of the state utility and recorded the revenue from such generation at a low preferential tariff of Rs.2.52 per unit aggregating to Rs.384.46Lac for the quarter. In the event of non acceptance of liability by MSEDCL the Net profit after tax for the quarter would result in a Net loss after Tax of Rs.157.36Lac.
4. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results:
 - i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regards; and
 - ii) give a true and fair view of the net loss and other financial information for the quarter ended 30th September, 2015.



Karma Energy Limited

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- 5 Further we also report that we have on the basis of books of accounts and other relevant records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholding in respect of aggregate amount of public shareholding, as furnished by the Company in terms of clause 35 of the Listing agreement with Stock Exchanges in particulars relating to the investor complaints disclosed in Part II – Select information for the quarter ended 30/9/2015 from the details furnished by the Registrar.

**FOR U. B. SURA & CO.
CHARTERED ACCOUNTANTS
FIRM REG. NO. 110620 W**

U. B. Sura

**U. B. SURA
PROPRIETOR
Mumbai: Dated: 09/11/2015**



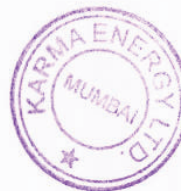
Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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

Unaudited Financial Results for the Quarter Ended 30.09.2015

PART I		Rs. in Lakh					
Statement of Standalone / Consolidated Unaudited Results for the Quarter Ended 30.09.2015							
	Particulars	Quarter Ended	Quarter Ended	Quarter Ended	Year to date	Year to date	Year Ended
		30.09.2015 Unaudited	30.06.2015 Unaudited	30.09.2014 Unaudited	30.09.2015 Unaudited	30.09.2014 Unaudited	31.03.2015 Audited
1	Income from operations						
[a]	Net sales / income from operation (Net of excise duty)	733.18	296.60	272.05	1,029.78	572.65	1,412.76
[b]	Other operating income	11.59	14.43	5.80	26.02	23.43	119.73
	Total income from operations [net]	744.77	311.03	277.85	1,055.80	596.08	1,532.49
2	Expenses						
[a]	Cost of materials consumed	-	-	-	-	-	-
[b]	Purchase of stock-in-trade	-	-	-	-	-	-
[c]	Changes in inventories	-	-	-	-	-	-
[d]	Employee benefits expense	84.72	79.84	80.82	164.56	176.21	387.83
[e]	Depreciation and amortisation expense	125.72	124.36	121.53	250.08	241.60	490.00
[f]	Operation & Maintenance cost	96.27	90.93	105.46	187.20	216.51	416.60
[g]	Energy & Other Direct Costs	9.62	7.68	13.85	17.30	23.61	40.12
[h]	Other expense (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	38.43	55.52	40.60	93.95	85.60	179.28
	Total expenses	354.76	358.33	362.26	713.09	743.53	1,513.83
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	390.01	(47.30)	(84.41)	342.71	(147.45)	18.66
4	Other Income	8.08	7.82	41.78	15.90	96.79	132.72
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	398.09	(39.48)	(42.63)	358.61	(50.66)	151.38
6	Finance Costs	179.80	164.74	178.03	344.54	361.85	713.38
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	218.29	(204.22)	(220.66)	14.07	(412.51)	(562.00)
8	Exceptional Items	-	-	(380.20)	-	(380.20)	(139.30)
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	218.29	(204.22)	159.54	14.07	(32.31)	(422.70)
10	Tax Expense	52.19	(46.90)	22.19	5.29	(8.15)	(109.67)
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	166.10	(157.32)	137.35	8.78	(24.16)	(313.03)
12	Extra ordinary items (net of tax expense Rs _____)	-	-	-	-	-	-
13	Net Profit / (Loss) for the year (11 - 12)	166.10	(157.32)	137.35	8.78	(24.16)	(313.03)
14	Share of profit / (loss) of associates	-	-	-	-	-	-
15	Minority interest	-	-	-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of Profit / (Loss) of associates (13 + 14 + 15)	166.10	(157.32)	137.35	8.78	(24.16)	(313.03)
17	Paid up Equity Share Capital (Rs 10/- Per Share)	1,156.99	1,156.99	1,156.99	1,156.99	1,156.99	1,156.99
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						3,152.68
19 i	Earning per Share (before extraordinary itmes) (of Rs 10/- each) (not annualised)						
(a)	Basic	1.44	(1.36)	1.19	0.08	(0.21)	(2.71)
(b)	Diluted	1.44	(1.36)	1.19	0.08	(0.21)	(2.71)
9 ii	Earning per Share (after extraordinary itmes) (of Rs 10/- each) (not annualised)						
(a)	Basic	1.44	(1.36)	1.19	0.08	(0.21)	(2.71)
(b)	Diluted	1.44	(1.36)	1.19	0.08	(0.21)	(2.71)
	See accompanying note to the financial results						



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(Corporate Identity Number - L3110MH2007PLC168823)

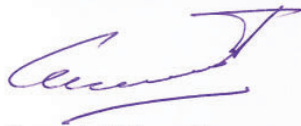
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Standalone Statement of Assets and Liabilities

Rs in Lakh

Particulars		As at 30.09.2015	As at 31.03.2015
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital	1,156.99	1,156.99
	b) Share capital - Suspense Account	-	-
	c) Reserve and surplus	3,161.45	3,152.68
	d) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	4,318.44	4,309.67
2	Share application money pending allotment	-	-
3	Minority interest	-	-
4	Non-current liabilities		
	a) Long-term borrowings	2,478.14	3,304.71
	b) Deferred tax liabilities (net)	1,712.19	1,767.90
	c) Other long-term liabilities	-	-
	d) Long-term provisions	64.64	71.22
	Sub-total - Non-current liabilities	4,254.97	5,143.83
5	Current liabilities		
	a) Short-term borrowings	2,284.87	522.94
	b) Trade payables	95.89	144.47
	c) Other current liabilities	1,323.38	1,533.94
	d) Short-term provisions	68.68	7.67
	Sub-total - Current liabilities	3,772.82	2,209.02
	TOTAL - EQUITY AND LIABILITIES	12,346.23	11,662.52
B	ASSETS		
1	Non-current assets		
	a) Fixed Assets	5,593.65	5,842.76
	b) Goodwill on consolidation	-	-
	c) Non-current investments	3,694.13	3,435.86
	d) Deferred tax assets (net)	-	-
	e) Long-term loans and advances	85.73	85.91
	f) Other non-current assets	203.65	203.65
	Sub-total - Non-current assets	9,577.16	9,568.18
2	Current assets		
	a) Current investments	-	-
	b) Inventories	64.90	63.71
	c) Trade Receivables	2,215.09	1,557.50
	d) Cash and Bank Balances	399.32	391.35
	e) Short-term loans and advances	89.76	81.78
	f) Other current assets	-	-
	Sub-total - Current assets	2,769.07	2,094.34
	TOTAL - ASSETS	12,346.23	11,662.52

KARMA ENERGY LIMITED



Ganesh N Kamath
Managing Director
DIN - 00040805

Place : Mumbai, Date : 09.11.2015

