

U.B.SURA & CO

CHARTERED ACCOUNTANTS

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

GHATKOPAR (EAST), MUMBAI-400 077

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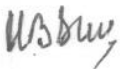
INDEPENDENT AUDITORS LIMITED REVIEW REPORT

We have reviewed the accompanying statement of un-audited financial result of **Karma Energy Limited** for the quarter ended **September 30, 2014** except for the disclosure regarding 'Public Shareholding and Promoter and Promoter Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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 these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* 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 financial statements are 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.

Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with applicable accounting standards and recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed or that it contains any material misstatement.

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



U. B. SURA
PROPRIETOR
Membership No. 32026
Mumbai: Dated: 07/11/2014

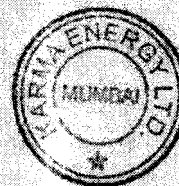
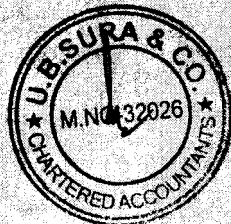


Karma Energy Limited

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

Unaudited Financial Results for the Quarter Ended 30.09.2014

PART I							Rs. in Lakh
Statement of Standalone / Consolidated Unaudited Results for the Quarter Ended 30.09.2014							
Particulars	Quarter Ended	Preceding Quarter Ended	Corresponding Quarter Ended	Year to date figures for the previous period	Year to date figures for the previous period	Year Ended	
	30.09.2014 Unaudited	30.06.2014 Unaudited	30.09.2013 Unaudited	30.09.2014 Unaudited	30.09.2013 Unaudited	31.03.2014 Audited	
1 Income from operations							
[a] Net sales / income from operation (Net of excise duty)	272.05	300.60	1,046.05	672.65	1,763.27	2,417.81	
[b] Other operating income	5.80	17.63	31.80	23.43	54.77	438.18	
Total income from operations [net]	277.85	318.23	1,077.85	596.08	1,818.04	2,855.99	
2 Expenses							
[a] Cost of materials consumed	8.07	0.68	-	8.75	-	1.97	
[b] Purchase of stock-in-trade	-	-	-	-	-	-	
[c] Changes in inventories	-	-	-	-	-	-	
[d] Employee benefits expense	80.82	95.39	74.96	176.21	137.11	317.64	
[e] Depreciation and amortisation expense	121.53	120.07	195.63	241.60	391.22	774.47	
[f] Operation & Maintenance cost	105.46	111.05	99.11	216.51	212.41	357.48	
[g] Energy & Other Direct Costs	5.78	9.08	160.93	14.86	270.11	402.16	
[h] Other expense (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	40.60	45.00	56.93	85.60	97.42	222.47	
Total expenses	362.26	381.27	587.56	743.53	1,108.27	2,076.19	
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	(84.41)	(63.04)	490.29	(147.45)	709.77	779.79	
4 Other Income	41.78	55.01	89.57	96.79	182.60	280.37	
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(42.63)	(8.03)	579.86	(50.66)	892.37	1,060.17	
6 Finance Costs	178.03	183.82	240.26	361.85	452.68	811.49	
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(220.66)	(191.85)	339.60	(412.51)	439.69	248.68	
8 Exceptional Items	380.20	-	-	380.20	-	-	
9 Profit / (Loss) from ordinary activities before tax (7 + 8)	159.54	(191.85)	339.60	(32.31)	439.69	248.68	
10 Tax Expense	22.19	(30.34)	120.61	(8.15)	153.55	95.91	
11 Net Profit / (Loss) from ordinary activities after tax (9 - 10)	137.35	(161.51)	218.99	(24.16)	286.14	152.77	
12 Extra ordinary items (net of tax expense Rs _____)	-	-	-	-	-	-	
13 Net Profit / (Loss) for the year (11 - 12)	137.35	(161.51)	218.99	(24.16)	286.14	152.77	
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)	137.35	(161.51)	218.99	(24.16)	286.14	152.77	



Signature

Karma Energy Limited

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Unaudited Financial Results for the Quarter Ended 30.09.2014

PART II						
Select Information for the Quarter Ended 30.09.2014						
Particulars	Quarter Ended	Preceding Quarter Ended	Corresponding Quarter Ended	Year to date figures for the previous period	Year to date figures for the previous period	Year Ended
	30.09.2014 Unaudited	30.06.2014 Unaudited	30.09.2013 Unaudited	30.09.2014 Unaudited	30.09.2013 Unaudited	31.03.2014 Audited
A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
- No of Shares	2936916	2936916	2936916	2936916	2936916	2936916
- Percentage of Holdings	25.38	25.38	25.38	25.38	25.38	25.38
2 Promoters and Promoter Group Shareholding **						
(a) Pledged / Encumbered						
- Number of Shares	NIL	NIL	NIL	NIL	NIL	NIL
- Percentage of Shares (as of % of the total shareholding of promoter & promoter group)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
- Percentage of Shares (as of % of the total share capital of the company)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(b) Non-encumbered						
- Number of Shares	8633002	8633002	8633002	8633002	8633002	8633002
- Percentage of Shares (as of % of the total shareholding of promoter & promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of Shares (as of % of the total share capital of the company)	74.62	74.62	74.62	74.62	74.62	74.62

Particulars	3 months ended 30.09.2014
B INVESTOR COMPLAINTS	
Pending at the beginning of the year	Nil
Received during the year	2
Disposed of during the year	2
Remaining unresolved at the end of the year	Nil

NOTES :

- 1 The above results have been taken on record at the meeting of the Board of Directors held on 07.11.2014.
- 2 Exceptional item represents difference in tariff for sale value of wind power sold to state power Distribution Licencees (DL) in Andhra Pradesh from January 2011 to March 2014 as per order dated 08.09.2014 issued by State Electricity Regulatory Commission.
- 3 Consequent to contrary legal pronouncements for the sale of wind power to third parties under Open Access Regulations in Maharashtra and further certain litigations pending disposal before Hon'ble High Court of Bombay, the Company adopting a conservative approach has decided not to accrue income from its 18 MW wind farm in Satara District, Maharashtra from April 1, 2014. As a result the income accrued of Rs.198.81 Lakhs for Quarter ended June 30, 2014 has been reversed in the current quarter.
- 4 The Company has charged depreciation based on the revised remaining useful life of the assets as per Schedule II of the Companies Act, 2013 effective from 1st April, 2014. Hence the depreciation charged for the quarter is lower by Rs.76.65 Lakh.
- 5 As the Company has only one reportable segment, segment reporting as per Accounting Standard is not applicable.
- 6 Previous years' / periods' figures have been regrouped and / or reclassified wherever necessary to correspond with current years' / periods' classification / disclosure.

For KARMA ENERGY LIMITED

Ganesh N Kamath
Managing Director

Place : Mumbai, Date : 07.11.2014

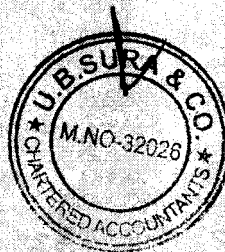


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Unaudited Financial Results for the Quarter Ended 30.09.2014

PART I		Rs. in Lakh					
Statement of Standalone / Consolidated Unaudited Results for the Quarter Ended 30.09.2014							
	Particulars	Quarter Ended	Preceding Quarter Ended	Corresponding Quarter Ended	Year to date figures for the previous period	Year to date figures for the previous period	Year Ended
		30.09.2014 Unaudited	30.06.2014 Unaudited	30.09.2013 Unaudited	30.09.2014 Unaudited	30.09.2013 Unaudited	31.03.2014 Audited
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						3,459.70
19 i	Earning per Share (before extraordinary items) (of Rs 10/- each) (not annualised)						
(a)	Basic	1.19	(1.40)	1.89	(0.21)	2.47	1.32
(b)	Diluted	1.19	(1.40)	1.89	(0.21)	2.47	1.32
9 ii	Earning per Share (after extraordinary items) (of Rs 10/- each) (not annualised)						
(a)	Basic	1.19	(1.40)	1.89	(0.21)	2.47	1.32
(b)	Diluted	1.19	(1.40)	1.89	(0.21)	2.47	1.32
See accompanying note to the financial results							



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Standalone Statement of Assets and Liabilities

Rs in Lakh

	As at 30.09.2014	As at 31.03.2014
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	3,441.55	3,459.70
d) Money received against share warrants	-	-
Sub-total - Shareholders' funds	4,598.54	4,616.69
2 Share application money pending allotment	-	-
3 Minority interest	-	-
4 Non-current liabilities		
a) Long-term borrowings	3,648.24	4,482.77
b) Deferred tax liabilities (net)	1,843.37	1,886.52
c) Other long-term liabilities	-	-
d) Long-term provisions	49.73	53.39
Sub-total - Non-current liabilities	5,541.34	6,422.68
5 Current liabilities		
a) Short-term borrowings	29.89	28.47
b) Trade payables	144.78	95.81
c) Other current liabilities	1,218.98	1,070.58
d) Short-term provisions	451.64	426.90
Sub-total - Current liabilities	1,845.29	1,621.76
TOTAL - EQUITY AND LIABILITIES	11,985.17	12,661.13
B ASSETS		
1 Non-current assets		
a) Fixed Assets	6,040.28	6,004.69
b) Goodwill on consolidation	-	-
c) Non-current investments	3,435.81	3,435.81
d) Deferred tax assets (net)	-	-
e) Long-term loans and advances	86.09	286.27
f) Other non-current assets	203.65	203.65
Sub-total - Non-current assets	9,765.84	9,930.43
2 Current assets		
a) Current investments	-	-
b) Inventories	62.15	68.71
c) Trade Receivables	1,083.38	337.06
d) Cash and Bank Balances	392.08	370.16
e) Short-term loans and advances	681.72	1,954.77
f) Other current assets	-	-
Sub-total - Current assets	2,219.33	2,730.70
TOTAL - ASSETS	11,985.17	12,661.13

For and on behalf of the Board

For U. B. SURA & Co.
Chartered Accountants



(Signature)

Ganesh N Kamath
Managing Director

U.Sura

U. B. SURA
Proprietor

Membership No : 32026

Firm Regn No. : 110620W

Place : Mumbai, Date : 07.11.2014