Karma Energy

(Corporate Identity Number : L31101MH2007PLC168823)

19th Annual Report
2025-2026

KARMA ENERGY LIMITED ANNUAL REPORT 2025-2026

BOARD OF DIRECTORS

Shri Dharmendra G. Siraj	_	Chairman
Shri Chetan D. Mehra Shri Neelkamal V. Siraj Smt. Smita V. Davda Shri Balady S. Shetty Shri Hitesh V. Siraj	_	Managing Director
Shri T V Subramanian	_	CFO and Company Secretary

BANKERS

State Bank of India

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, 44559422, Fax : 22071514
Email investorshelpdesk@weizmann.co.in
Website : karmaenergy.co
CIN : L31101MH2007PLC168823

WIND POWER PLANTS

Maharashtra - Beed, Satara
Tamil Nadu - 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"

CONTENTS Page No

Notice……..... 3

Director's Report…….....……20

Report on Corporate Governance…….....30

Certificate on Corporate Governance …….....52

Management Discussions & Analysis Report…….....47

Auditor's Report on Financial Statements……..... 57

Balance Sheet…….....……69

Profit & Loss Accounts…….....……70

Cash Flow Statement…….....……71

Notes to Financial Statements …….....…… 74

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Members of KARMA ENERGY LIMITED will be held on Thursday, July 23, 2026 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, 2026 together with Report of the 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.

SPECIAL BUSINESS

3. To consider and, if thought fit, to pass , the following resolution as an SPECIAL RESOLUTION

Re-appointment and Revision in Remuneration of Mr. Chetan Mehra (DIN: 00022021) as Managing Director of the Company

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the consent of the Company be and is hereby accorded for the re-appointment of Mr. Chetan Mehra (DIN: 00022021) as the Managing Director of the Company for a further period of three (3) consecutive years effective from December 1, 2026, up to November 30, 2029, and that the consent of the members be also accorded for the revision of his fixed salary from Rs. 26,00,000/- to Rs. 50,00,000/- per annum with effect from, August 1, 2026, for the remainder of his current tenure and continuing into his ensuing re-appointment term, upon the terms and conditions as set out below:

I. Remuneration

Particulars	Details
Fixed Remuneration	Rs.50.00 Lakh per annum from 1st August 2026 unless altered in compliance with the applicable statutory provisions
Commission	Performance incentive by way of Commission at a rate not exceeding 10% of the Profit Before Tax (PBT) of the Company, as may be determined and approved by the Board for each financial year.

II. Other Terms and Conditions:

- Sitting Fees: The Managing Director shall not be paid any sitting fees for attending meetings of the Board of Directors or any Committee thereof.
- Perquisites & Allowances: In addition to the fixed salary, he shall be entitled to perquisites, allowances, benefits, and amenities (such as club fees, personal accident insurance, Medi-claim cover and company-maintained car with driver) as per the rules of the Company, the total value of which shall be determined by the Nomination and Remuneration Committee / Board
- Overall Ceiling: The total remuneration (including salary, perquisites, and commission) shall not exceed 5% of the net profits of the Company in any financial year, except with the approval of the members by way of a Special Resolution as contemplated herein.
- Termination: The appointment may be terminated by either party by giving three (3) months' notice in writing or salary in lieu thereof, or by mutual consent.
- Variation: The Board of Directors (which term shall include any Committee thereof) is authorized to alter and vary the terms and conditions of the said appointment and/or agreement from time to time, provided such variations are within the limits prescribed under the Companies Act, 2013.

"RESOLVED FURTHER THAT notwithstanding anything contained herein above, if in any financial year during the currency of his appointment, the Company has no profits or its profits are inadequate, the remuneration as detailed in the above resolutions shall continue to be paid to Shri Chetan Durgadas Mehra, in accordance with the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013".

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, desirable, or expedient to give effect to this resolution."

By Order of the Board

Place : Mumbai

Date : 28th May, 2026

T. V. Subramanian

CFO & Company Secretary

NOTES :

1) Pursuant to the General Circular No. 03/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are permitted to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM. The Annual General Meeting ("AGM") of the Company is scheduled to be held on Thursday, July 23, 2026, 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) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto

3) 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, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

4) 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.

5) 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.

6) 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 at least 1,000 Members on a first come first served basis as per the MCA Circulars.

7) In terms of the MCA Circulars and the SEBI Circular, the Company is sending this AGM Notice along with the Annual Report for FY26 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 FY26 has been uploaded on the website of the Company at www.karmaenergy.co and may also be accessed fromthe 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.

8) 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.

9) 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.

10) The Register of Members and Share Transfer Books of the Company will be closed on July 16, 2026 for the purpose of Annual General Meeting.

11) 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.

12) 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.

13) 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.

14) Members desiring inspection of statutory registers during the AGM may send their request in writing to the Company at investorshelpdesk@weizmann.co.in

15) 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.

16) 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,16th July, 2026.

17) 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 Friday, 10th July, 2026 pursuant to which, any Member may receive on the e-mail address provided by the Member the Annual Report for FY26 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.

18) After successful submission of the e-mail address, NSDL will e-mail a copy of the Annual Report for FY25 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.

19) 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.

20) 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.

21) Process and manner for Members opting for e-Voting is, as under:-

c. 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.

d. 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.

e. 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.

f. Members of the Company holding shares either in physical form or electronic form as on the cut-off date of Thursday, 16th July, 2026, may cast their vote by remote e-Voting. The remote e-Voting period commences on Monday 20th July, 2026 at 9:00 a.m. (IST) and ends on Wednesday, 22nd July, 2026 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.

g. The instructions for Members attending the AGM through VC/OAVM are as under:

1. Pursuant to the General Circular No. 03/2025 dated September 22, 2025, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted 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 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.nsdl.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, MCA Circular No. 2/2021 dated January 13, 2021, Circular No.2/2022 dated May 5, 2022 and Circular dated December 28, 2022 and all other relevant circulars and extensions issued from time to time,.

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

The remote e-voting period begins on Monday, July 20, 2026 at 09:00 A.M. and ends on Wednesday, July 22, 2026 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 16, 2026, 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 16, 2026.

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. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code

	and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.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. 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. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. 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. 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. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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 022 - 4886 7000
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 toll free no. 1800 21 09911.

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 124397 then user ID is 124397001***

5.Password details for shareholders other than Individual shareholders are given below:

a)If you are already registered for e-Voting, then you can user 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.

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 Please mention the e-mail ID of Scrutinizer> with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

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.: 022 - 4886 7000 or send a request to Sagar S. Gudhate, Senior Manager at evoting@nsdl.com

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 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, 17th July, 2026 to Monday 20th July, 2026. 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.

7. 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 16th July, 2026.

8. 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.16th July, 2026 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company/RTA.

9. 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.

10. 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 afair and transparent manner.

11. 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.

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

13. 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.

14. 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 16, 2026, 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 16, 2026 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

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

Particulars	Shri Neelkamal Vrajlal Siraj	Shri Chetan Durgadas Mehra
Date of Birth	25th June, 1958	02nd October, 1966
Date of Appointment	26th August, 2010	15th March, 2007
Qualifications	Bachelor's Degree in Commerce from University of Bombay	Bacelor's Degree in Science from University of Bombay
Expertise in specific functional areas	Wide experience in textile processing and exports, and Power projects	A Science graduate with over 40 years' experience in Textile exports, full-fledged Money Changing, Housing and Consumer Finance, and Wind-farm / Hydro-power development, Chetan Mehra has overseen the Weizmann Group's steady growth and ensured its profitable business record. Active for over a decade in mentoring other Weizmann companies who are engaged in the renewable energy sector, he has also engineered financial and technical JVs with leading business houses for wind-farm development and manufacture of windelectric generators. He has been responsible for financial tie-ups in the form of capital-infusion in housing finance by international financial institutions and public sector banks. Mehra has also successfully promoted Weizmann Homes Ltd. till the divestment of its stake in favour of AIG, the world's largest insurance group as well as the sale of Weizmann Forex, the money changing business to Nasdaq listed Ebix. He is the President of the Renewable Energy Developers Association of Maharashtra (REDAM), Secretary of the National Council of Indian Wind-power Association and a Governing Member of the World Institute of Sustainable Energy (WISE). With his considerable experience in the financial services and renewable energy sectors, Chetan Mehra has served on the financial services and energy subcommittees of the CII and was the Chairman of Laxmi Finance and Leasing Companies Commercial Premises Cooperative Society Ltd. which implemented the commercial project in the prestigious Bandra-Kurla complex in Mumbai. He is also an ex-Chairman of the CII-GBC Sub-Committee for Development of Wind Energy
Directorships held on other Public Companies (Excluding foreign companies and Section 8 companies)	• Brahmanvel Energy Ltd • Weizmann International Ltd • Weizmann Corporate Services Ltd • Weizmann Ltd • Weizmann Forex Ltd	• Batot Hydro Power Ltd • Khandesh Energy Projects Ltd • Kombai Mettu Energy Projects Ltd • Siul Baroti Hydro Projects Ltd • Weizmann Ltd • Weizmann Corporate Services Ltd

	• Weizmann Energy Ltd • Khandesh Energy Projects Ltd • Kambam Valley Energy Projects Ltd • Siul Baroti Hydro Porjects Ltd	• Orbit Exports Ltd • Weizmann Forex Ltd
Name of Listed entities from which resigned in the past three years	N.A.	N.A
Memberships / Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders'Committee)	Member of stake holders Relationship committee of Weizmann Ltd	Member of Audit Committee of Orbit Exports Ltd
Number of Shares held in the Company including shareholding as a beneficial owner	Nil	Nil

Shri Neelkamal V. Siraj is elder brother of Shri Hitesh V. Siraj and as such related

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

ITEM NO. 3 :

The current tenure of Mr. Chetan Mehra (DIN: 00022021) as the Managing Director of the Company is due to expire on November 30, 2026. The Board of Directors at its meeting held on May 28, 2026, upon the recommendation of the Nomination and Remuneration Committee (NRC) and subject to the approval of the shareholders at the ensuing Annual General Meeting, approved his re-appointment for a further period of three (3) consecutive years effective from December 1, 2026, up to November 30, 2029.

Mr. Chetan Mehra has been instrumental in navigating the company through challenging macroeconomic conditions in the renewable energy sector. Considering his extensive leadership experience of nearly four decades, heightened responsibilities, and the prevailing market benchmarks for executive personnel in the industry, the NRC and the Board deem it just, equitable, and in the best interest of the Company to increase his fixed salary from Rs. 26,00,000/- per annum to Rs. 50,00,000/- per annum, effective from August 1, 2026 and continuing into his ensuing re-appointment term.

Given the capital-intensive and cyclical nature of the wind power sector, the Company's net profits calculated under Section 198 may occasionally be inadequate to absorb this increase within standard statutory thresholds. Therefore, as a matter of abundant regulatory caution and to ensure uninterrupted strategic leadership, approval is being sought via Special Resolution to protect and pay this revised remuneration as Minimum Remuneration in strict compliance with Part II, Section II of Schedule V to the Companies Act, 2013.

STATEMENT CONTAINING INFORMATION REQUIRED UNDER SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION

1. Information about the Industry: Karma Energy Limited is primarily engaged in the generation of green power from renewable energy sources, specifically wind and solar energy infrastructure projects.

2. Date or expected date of commencement of commercial production: The Company is an established operational utility entity; commercial production and power generation commenced several years ago.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

4. Financial performance based on given indicators:

   - Total Revenue (FY 2025-26): Rs. 1305.36 Lakh
   - Net Profit / Loss after Tax (FY 2025-26): Rs. 104.93 Lakh

5. Foreign investments or collaborations, if any: The Company does not maintain any direct major foreign joint ventures or institutional collaborations, outside of minor foreign portfolio investments held within standard regulatory limits.

II. INFORMATION ABOUT THE APPOINTEE MANAGING DIRECTOR - MR. CHETAN MEHRA

1. Background details: Mr. Chetan Mehra is a seasoned serial entrepreneur and a core promoter of the Weizmann Group. He possesses exceptional multi-disciplinary exposure spanning over 39 years across textile manufacturing, financial services, housing finance, and renewable asset development.

2. Past remuneration: Rs. 26,00,000/- per annum (plus standard perquisites and statutory retirals).

3. Recognition or awards: Highly regarded within the green energy domain for being an early-mover and pioneering private sector wind farm integration in India.

4. **Job profile and his suitability:** As Managing Director, he commands the overall strategic vision, project execution, asset management, and corporate compliances of the Company. His profound familiarity with the asset footprint of Karma Energy makes him uniquely positioned to lead the company's next phase of growth.

5. **Remuneration proposed:** Fixed annual salary of Rs. 50,00,000/- (Rupees Fifty Lakh only) together with standard perquisites, allowances, and statutory retiral components as detailed in the body of the resolution.

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:** The proposed fixed structure of Rs. 50.00 Lakh per annum is highly conservative and trends far below the average compensation matrices paid to executive directors and chief executives within listed micro/mid-cap infrastructure companies in India.

7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Apart from the direct managerial remuneration being sought and his fractional shareholding as a member of the promoter group, Mr. Chetan Mehra does not have any conflicting material pecuniary relationships with the Company.

III. OTHER INFORMATION

1. **Reasons of loss or inadequate profits:** The renewable power generation business remains intensely subject to environmental variables (wind velocity, grid breakdown, and seasonal yield variations) coupled with historic low-tariff power purchase agreements (PPAs) that restrict aggressive top-line expansions.

2. **Steps taken or proposed to be taken for improvement:** The Company is actively implementing rigorous plant-level cost-containment programs, enhancing preventative maintenance timelines to increase turbine uptime, and evaluating strategic capital allocations to flatten cash flow volatility.

3. **Expected increase in productivity and profits in measurable terms:** These operational enhancements and strict over-head cost controls are aimed at strengthening operational EBITDA margins and stabilizing net earnings over the upcoming 24 to 36 months.

IV. DISCLOSURES

The structural details concerning components of remuneration, performance incentives, stock options, and tenure notices are set forth comprehensively in the Corporate Governance Report attached to the Board's Report for the financial year ended March 31, 2026.

INTEREST OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Except Mr. Chetan Mehra himself, none of the other Directors, Key Managerial Personnel (KMPs) of the Company, or their immediate relatives are deemed to be concerned, interested, or financially conflicted in the passing of this Special Resolution.

The Board of Directors strongly recommends the resolution set out at Item No. 3 for shareholder approval via Special Resolution.

By Order of the Board

Place : Mumbai
Date : 28th May, 2026

T. V. Subramanian
CFO & Company Secretary

DIRECTORS' REPORT

TO THE MEMBERS OF KARMA ENERGY LIMITED

The Directors are pleased to present this **Nineteenth** Annual Report and the Audited Statement of Accounts for the year ended March 31, 2026.

1. FINANCIAL RESULTS

(Rs. in lakh)

Particulars	2025-2026	2024-2025
Total Income	1305.36	1144.04
Profit / (Loss) Before Depreciation but including exceptional items	108.42	345.79
Less : Depreciation	202.02	189.37
Profit / (Loss) Before Tax	(93.60)	156.42
Less : Income Tax including Prior Years	(198.53)	69.11
Less : Deferred Tax	(12.13)	(68.65)
Profit / (Loss) After Tax	104.93	155.96
Other Comprehensive Income Net of Tax	(4.42)	(2.27)
Total Comprehensive Income for the year	100.51	153.69

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 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 complete set of financial statements has been made available on the website of the company www.karmaenergy.com.

2. DIVIDEND AND RESERVES

Your Directors have not recommended dividend (previous year Rs. NIL per share) for financial year 2025-26 on account of the need to conserve the resources as the payments from the utilities though witnessed steady release during FY 2025-26 from past experience many a times turn to be erratic in all the states where the company is selling power to state utilities and regulatory changes are adversely affecting the revenues.

No amounts have been transferred to Reserves during the year.

3. SHARE CAPITAL

The Paid- Up Equity Capital of the Company as on 31.03.2026 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. 1305.36 Lakh as compared to Rs. 1144.04 Lakh in the previous year. The turnover was marginally higher at Rs.9.76 Cr in 2025-26 as against Rs.8.70 Cr in FY 2024-25 contributed by about 14.59% higher generation in FY 2025-26 as compared to the previous FY. This is despite a wind turbine in the best performing site at Aranmanaikadu, Theni became operations in post high wind season after the fire mishap in January, 2024.

However Other Income mainly comprising of Interest income on ICDs and importantly settlement of an Insurance Claim of Wind turbine in Theni at Rs.145.62 Lakh, in aggregate resulted in Other Income recording an amount of Rs.329.53 Lakh in FY 2025-26 as against an aggregate of Rs.273.77 Lakh on various counts in FY 2024-25. Also Interest on non-payment of D S Metals dues of 2013 from TANGEDCO fetched was Rs.81.43 lakh reflected in Accounts as Exceptional Items.

The improved realization of generation dues has continued for the Company to be debt free.

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

6. SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANIES

Your company has no subsidiaries / Associates / Joint ventures.

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 Shri. Neelkamal V. Siraj retires by rotation and, being eligible has offered himself for re-appointment.

The current tenure of Mr. Chetan D. Mehra as the Managing Director of the Company is expiring on November 30, 2026. The Board of Directors, at its meeting held on 28th May, 2026, upon the recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Chetan D. Mehra as the Managing Director for a further period of three (3) years with effect from December 01, 2026, to November 30, 2029, subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM").

Further, keeping in view his valuable contribution, expanded role, and the growth of the Company, the Board of Directors at the same meeting, based on the recommendation of the Nomination and Remuneration Committee, also approved a revision in the remuneration

package of Mr. Chetan D. Mehra with effect from August 01, 2026, for the remainder of his current term as well as for his proposed subsequent tenure, subject to the approval of the members at the ensuing AGM.

Appropriate resolutions seeking your approval for the variation in the terms of remuneration and his subsequent re-appointment as Managing Director, along with the necessary disclosures and explanatory statement, form part of the Notice convening the ensuing AGM. The Board recommends the same for your approval.

The Company had pursuant to Section 149(10) read with Section 152 of the Companies Act, 2013 has two independent directors viz. 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.

The Board of Directors had four board meetings during financial year 2025-26.

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

8. COMMITTEES

The Audit Committee members are –

Mr. Balady Shekar Shetty – Independent Director - Chairman
Mr. Neelkamal V. Siraj – Non-Independent Director - Member
Smt. Smita V Davda – Independent Director - Member

The Nomination and Remuneration Committee members are:

Mr. Balady Shekar Shetty - 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. D G Siraj– Non Independent Director - Chairman
Smt. Smita V Davda– Independent Director - Member
Mr. Chetan D Mehra- Non Independent Director - Member

The Corporate Social Responsibility Committee members are -

Mr. B S Shetty – Independent Director - Chairman
Mr. D. G Siraj – Non-Independent Director - Member
Mr. Chetan D Mehra- Non 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

In accordance with the provisions of the Act and the Listing Regulations, the Company has conducted the Annual Performance Evaluation process, evaluating the performance of the Board, the Committees of Board and the individual directors including Chairman. The Board of Directors has evaluated the performance of Independent Directors during the year 2024-25 and expressed their satisfaction with the evaluation process. Independent Directors, in their separate meeting reviewed the performance of the Non-Independent Directors and the Board as a whole and also reviewed the performance of the Chairman after taking into account the views of all the Directors. The outcome of this performance evaluation was placed before the meetings of the Nomination and Remuneration Committee and Independent Directors for the consideration of the members. The committee expressed overall satisfaction on the performance of the Independent Directors, Non-Independent Directors, Chairman and the Board as a whole.

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 apart from familiarization sessions even though there has been no new business commenced or products introduced in FY 2025-26.

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

An extract of Annual Return 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 it 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-VII.

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 Board has constituted a Corporate Social Responsibility ("CSR") Committee in terms of the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014. The statutory requirement of complying with Corporate Social Responsibility (CSR) of the Companies Act, 2013 became applicable to the company during F.Y. 2023-24 pursuant to Net Profits in the immediately previous financial year F.Y.2022-23 being more than Rs.5 Cr. However on account of Profits for FY 2023-24 being less than the thresh hold limits, CSR not applicable in FY 2024-25.

CSR policy is formulated which is uploaded on the website of the Company: http:// http://www. https://www.karmaenergy.co/corporate-records-policy.html

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 RESPECT 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 Fifteenth Annual General Meeting (AGM) of the company held on July 28, 2022 Messrs. Batliboi & Purohit, Chartered Accountants was re-appointed as Statutory Auditors of the Company for a period of five years to hold office from the conclusion of the Fifteenth AGM until the conclusion of the Twentieth AGM of the company ie of 2027. 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 financial year FY 2025-26 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 2024-25 and whose report of 28.05.2026 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 2025-26.

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

As the Company had not declared dividend for FY 2016-17, any transfer of unclaimed dividend to IEPF as required u/s.124 of the Companies Act, 2013 does not arise.

33. CREDIT RATING

The Company has nil borrowings from Banks / Financial Institutions, hence the rating exercise is no more applicable.

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-I. 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-III.

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.

The details of complaints received, disposed and pending, during FY 2026 are as follows:

Particulars	No. of complaints
Number of complaints of Sexual Harassment received in the year	0
Number of complaints disposed off during the year	0
Number of cases pending for more than ninety days	0

36.2. COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961

The Company is compliant with the applicable provisions of the Maternity Benefit Act, 1961 and has policies, systems and processes in place to ensure ongoing compliance

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

Dharmendra G Siraj
Chairman (DIN : 00025543)

Place : Mumbai, Date : May 28, 2026

Annexure I

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 Six. 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, 2026 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, 2026 were as under.

Category	Particulars of the Directors
Non-Executive – Non Independent	Shri Dharmendra G. Siraj - Chairman Shri Neelkamal V. Siraj Shri Hitesh V. Siraj
Non- Executive - Independent	Shri Balady S. Shetty
Non-Executive - Independent Women Director	Smt. Smita V. Davda
Executive	Shri Chetan D. Mehra – 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 2024-2025 the Board held four meetings on May 27, 2025, August 12, 2025, November 12, 2025, and February 12, 2026.

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 2025-2026 and the last AGM held on September 25, 2025.

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	4	3	Yes	5	3
Shri C D Mehra	4	4	Yes	8	2
Shri N V Siraj	4	4	Yes	9	1
Smt. S V Davda	4	4	Yes	3	3
Shri B S Shetty	4	4	Yes	4	1
Shri Hitesh V. Siraj	4	4	Yes	4	-

Directorships held in other listed entities as on 31st March, 2026 :

Name of the director	Name of the other listed entities in which the concerned Director is Director	Category of Directorship
Shri D G Siraj	Weizmann Ltd	Non-Executive Non-Independent
Shri C D Mehra	Weizmann Ltd	Non-Executive Non-Independent
	Orbit Exports Ltd	Non-Executive Independent
Shri N V Siraj	Weizmann Ltd	Executive Non-Independent
Shri H V Siraj	Weizmann Ltd	Non-Executive Independent Director
Smt. S V Davda	Weizmann Ltd	Non-Executive Independent Director
Shri B S Shetty	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 31st March, 2026
1.	Shri Dharmendra G. Siraj	8,44,974
2.	Shri Chetan D. Mehra	Nil
3.	Shri Neelkamal V. Siraj	Nil
4	Shri Hitesh V. Siraj	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 Neelkamal V. Siraj 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 May 27, 2025, August 12, 2025, November 12, 2025 and February 12, 2026.

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 2025-26	
		Held	Attended
Shri B. S. Shetty	Non-Executive Independent	4	4
Smt S. V. Davda	Non-Executive Independent	4	4
Shri N V Siraj	Non-Executive Non-Independant	4	1

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 Balady S. Shetty as Chairman. The Committee comprises of two Independent Directors and a non- executive director.

Name	Category	Number of Meetings during the year 2025-26	
		Held	Attended
Shri B. S. Shetty	Non-Executive Independent	1	1
Shri D G. Siraj	Non-Executive	1	0
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 Managing Director

At the time of appointment or re-appointment, the 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 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 Managing Director comprises only of fixed component.

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.

The details of remuneration paid to Managing Director is given below

Name of the Managing Director	Salary (Rs. in Lacs)	Commission (Rs.in Lacs)	Perquisites and Allowances (Rs. in Lacs)	Retiral Benefits * (Rs. in Lacs)
Chetan D. Mehra	26.00	15.60	-	-

Notes : The agreement with Managing Director is for a period of 3 year from 1st April, 2023

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 Dharmendra G. Siraj as the Chairman, Shri Chetan D. Mehra 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 12th February, 2026 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 2025-26	
		Held	Attended
Shri D G Siraj	Non-Executive Non Independant	1	1
Shri C D Mehra	Non-Executive Non-Independent	1	1
Smt S V Davda	Non-Executive Independent	1	1

There were Nil complaints received from the shareholders during the financial year ended 31st March, 2026.

6. Independent Directors Meeting

During the year under review, the Independent Directors met on 12th February, 2026, 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 theExecutive and Non-Executive Directors.

3. Evaluation of the quality, content and timelines of flow of information between the management andthe 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 apart from familiarization sessions even though there has been no new business commenced or products introduced in FY 2025-26

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)

Date & Year	*Time*	*Location where AGM held in the last 3 years.*
25/09/2025 2024-2025	02.00 p.m	Audio Visual Mode
30/07/2024 2023-2024	02.00 p.m	Audio Visual Mode
27/07/2023 2022-2023	02.00 p.m	Audio Visual Mode

Whether resolution was put through a Postal Ballot last year: Yes

Resolution for entering into Material Related Party Transaction with M/s. Tapi Energy Projects Ltd -- Passed with requisite Majority on 28th March, 2025

Resolution for entering into Material Related Party Transaction with Windia Infrastructure Finance Ltd – Passed with requisite Majority on 28th March, 2025

Special resolution passed at Last 3 AGM's

16th AGM : Re-appointment of Shri Chetan Durgadas Mehra as Managing Director for a period of 3 years – Passed with majority

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 30 of the Notes to Accounts attached to the annual accounts for the financial year ended 31st March, 2026. 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

A. The Company has received notice from NSE on 21st November, 2024 for non-compliance of Regulation 171), 18(1) and 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30th September, 2024 and levied a penalty of Rs. 422440/- and another notice from NSE on 17th March, 2025 for non-compliance of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31st December, 2024 and levied a penalty of Rs.141600/- which has since been paid.

B. SEBI had issued a SCN on 05.11.2024 on the following matters

a) Not taking prior approval of Shareholders before entering in to a related party transaction, the value of which is exceeding 10% of the Annual Turnover as per last Audited Accounts during April – September 2023.

b) Having not updated the Related Party Policy pursuant to amendments made in SEBI Listing Regulations.

The Company had replied in details admitting the slippage but was never intentional and had also obtained post facto approval of Shareholders who approved the transaction with overwhelming majority of 99.97%.

Adjudication was held on 03.12.2024 where the Company indicated their intention for pursuing Settlement process.

Post hearing, SEBI informed that they have worked out the settlement penalty at Rs.29.25 lakh.

The Company on 14.01.2025 offered a Settlement amount of Rs.7.80 Lakh based on SEBI Settlement Regulation and Calculator considering the parameters as applicable to the two matters where deviation from Listing Regulations was observed and SCN issued. However SEBI rejected the representation on 27.02.2025 and stated that they ignore merits in deciding penalty on settlement.

The Company made a fresh representation to the Adjudication officer in SEBI to reduce the Penalty amount considering the fact that Settlement Commission does not go into the merits of the matter while determining the settlement amount.
A hearing concluded on 13.05.2025 and order was issued on 10th July, 2025 imposing a penalty of Rs.2.00 Lakh on the company which the company had promptly remitted.

C. The Company has received notice from BSE on 6th April, 2026 for non-compliance of Regulation 17(1), of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30th September, 2024 and levied a penalty of Rs. 365800/- and for non-compliance of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31st December, 2024 and levied a penalty of Rs.141600/- which has since been paid.

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 patternsare 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). Further the Company as at the Balance Sheet date does not have any Secured Borrowing as it prepaid in December 2022 the financial assistance it had obtained in earlier years.

- The company has not raised funds through preferential allotment or qualified institution placement
- 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 2025-26, 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	4.75
Tax Audit	-
Other services	0.21

(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

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, 2026.

Sd/-

Date : 28th May, 2026 Chetan D. Mehra

Mumbai 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, Prohibitionand 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 SexualHarassment 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.

14. The Company has complied with all the requirements of Corporate Governance Report as stated under subparas (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 IV.

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 Practicing Company Secretary on corporate governance, which is attached herewith and marked as Annexure V.

19. As required under Regulation 36(3) of the Listing Regulations, particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Notice of the AGM to be held on 23rd July, 2026.

20. The company has not provided loans and advances to any firm / company in which its Directors are interested.

21. Subsidiary Companies

The Company does not have any subsidiary or associate companies.

22. Means of Communication

Half yearly report sent to each household of Shareholders	-	No
Quarterly results usually published in	-Financial Express(Proposed)(English daily) - Mumbai Lakshwadeep(Marathi daily)	
Any website where displayed	-	www.karmaenergy.cowww.nseindia.com www.bseindia.com
Whether any advertisement also displayed official news releases and presentations made to institutions or investors / analysts presentation made	-	No
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) 19th Annual General Meeting- Day, Date, Time and Venue

Day	Date	Time	Venue
Thursday	23/07/2026	2.00 p.m.	OAVM / VC

b) Financial Calendar

Financial Year	:	1st April, 2026 to 31st March 2027
Adoption of Quarterly Results for the quarter ending June, 2026	:	on or before 14th August, 2026
September, 2026	:	on or before 14th November, 2026
December, 2026	:	on or before 14th February, 2027
March, 2027	:	on or before 30th May, 2027
Book Closure Date	:	16th July, 2026
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 2025	57.01	47.00	76,000	71,425
May 2025	69.00	49.90	82,500	76,000
June 2025	86.50	56.00	84,099	77,800
July 2025	73.00	60.20	82,800	79,000
August 2025	61.50	48.10	81,700	78,500
September 2025	73.50	49.05	85,500	79,800
October 2025	63.00	54.55	86,159	80,268
November 2025	57.84	52.25	82,500	76,900
December 2025	56.50	47.15	85,220	77,400
January 2026	49.90	36.55	80,600	74,100
February 2026	49.65	37.40	83,080	81,160
March 2026	44.80	34.40	77,000	72,564
Month	***NSE***		***NIFTY 50***	
	High (Rs.)	Low (Rs.)	High	Low
April 2025	57.69	46.99	23,200	21,965
May 2025	69.38	49.89	25,100	23,150
June 2025	86.93	56.00	25,650	23,700
July 2025	73.50	60.13	25,250	24,100
August 2025	61.85	48.05	24,870	23,900
September 2025	73.70	49.00	26,100	24,350
October 2025	63.34	54.51	26,280	24,480
November 2025	58.00	52.21	25,100	23,450
December 2025	56.80	47.10	26,130	23,580
January 2026	49.98	36.50	24,600	22,600
February 2026	49.70	37.37	25,350	24,750
March 2026	45.00	34.38	23,500	22,100

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

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. 1,14,00,127 Equity Shares representing 98.53 % of the share capital of the Company stands dematerialised as on 31st March, 2026. The Shares of the Company are included under B group at the Bombay Stock Exchange Ltd. The shares are also traded at National Stock Exchangeof India Ltd.

i) Shareholding Pattern as on 31st March 2026 :

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	FIIs	Nil	Nil
C	Others		
a.	Private Corporate Bodies	216962	1.88
b.	Indian Public	2644789	22.86
c.	NRIs/OCBs	64377	0.56
d.	Any other (Demat Transit)	678	0.01
	GRAND TOTAL	11569918	100.00

j) Distribution of Shareholding as on 31st March 2026:

Range (In Rs)	*Total Holders*	*Total Holdings in Rupees*
1 – 5000	10648	8684020
5001-10000	414	3156250
10001 – 20000	191	2699640
20001 – 30000	48	1191870
30001 - 40000	22	773210
40001 – 50000	18	831240
50001 – 100000	24	1697550
100001 – 999999999	22	96665400
Total	11387	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 2014 have been transferred to the IEPF.

As the Company had not declared dividend for FY 2018-19, any such transfer of unclaimed dividend does not arise.

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 - Tamilnadu – Theni, Tirunelveli, 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
Fax : 22071514
Website : www.karmaenergy.co

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 2025-26

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Annexure III

KARMA ENERGY LIMITED

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

BUSINESS REVIEW

General Economy

The conflict in West Asia has caused acute disruption of global supply chains. This has posed a big challenge for the global economy – higher prices and lower global growth. Merchant Shipping has been severely impaired. In this environment, monetary policy in every country faces a difficult trade-off and more so for India as it is highly dependent on crude oil imports and has also had the adverse effect on exports through sea. This has necessitated anchoring inflation expectations through policy tightening while reducing its impact on growth forgone. Also, equity valuations stand corrected. In the scenario of the turmoil in global financial markets, the US dollar has rallied well against most global currencies.

Despite the gloomy global scenario, on the domestic front, the Indian economy remained resilient in 2025-26. Real GDP is estimated to grow by 7.6 per cent on year to year, as per the Estimates of the new GDP series (base year 2022-23). Private consumption and fixed investment contributed significantly to overall growth, while net external demand remained softened. On the supply side, estimated real GVA growth of 7.7 per cent was driven by buoyant services sector and robust manufacturing activity.

In the above environment, the Government's focus on scaling up domestic manufacturing in several strategic and frontier sectors announced in the Union Budget 2026-27 , GST rationalization, promises well for India's maintaining the growth trajectory. Taking all these factors into consideration and on the assumption that the adverse impact of the conflict would remain contained in the near term, real GDP growth for 2026-27 is projected at 6.9 per cent.

Both Direct tax and Indirect tax mainly GST collections were buoyant, reflecting the Indian entities all round growth and compliance despite the challenges.

Company Business

The renewable power generation, which is the business of the Company, though the central have been optimistic, due to pessimistic approach of many regulatory commissions and most of the State utilities, Wind power has lost its bite. In many states tariffs have not being encouraging and sale to third parties are being discouraged by imposing high open access charges under one pretext or other and thus providing continued support to conventional energy since state electricity boards have not been able to come to terms even after about three decades with renewable power due to its vagaries and each time assuming that renewable power has come off age and can compete with conventional power even though the facts are just the opposite. In fact it is seen that present environment in Green Energy is only for Big Players with deep pockets developing in terms of thousands of MW and it has become history when many a small and medium entities entered the Green Energy sector and laid the foundation for rapid growth.

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.

Further the Ministry of Power has paved the way for realizing regular dues in Installments along with interest for delays. Also they developed an online portal "Prapti" where the generators can register and input their Invoice details so that State Electricity Companies are forced to settle dues n due date to avoid interest and adverse report from Central power Ministry. This has facilitated regular cash flow leading the Company pre-paying the term loans availed from Bank and become DEBT FREE.

The Company has now about 30.50 MW Power generating wind farms and had closed down loss making and low tariff wind farms in AP and a unit in TN.

OUTLOOK, OPPORTUNITIES AND THREATS

As far as Company's operations are concerned like any other renewable energy entity many adverse regulatory changes had its effect on it. The Company continues to take steps for cost reduction, tight cash flow management, policy changes to mitigate the downturn. Also more wind mills which due to passage of time has outlived its technical life and continuing its operation even with good operation and maintenance may prove uneconomical as tariff remains fixed for many years with no adjustment to inflation or factual cost of repairs and establishment costs has been retired.

Considering the huge outlay needed to achieve the targets set by the Central Government, only big business houses 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 against growth in their other core businesses. Further due to their size, they are able to negotiate better with utilities.

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 sustainability of small wind farms and also impeding the future projects. It is seen that present environment in Green Energy is only for Big Players with deep pockets with many a small and medium entities who had entered the Green Energy sector more than two decades back closing their units.

The experience of the Company has been that inordinate delays in adjudication of the matters by Electricity Regulatory Commission, Appellate Tribunal for Electricity and even High 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, 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. However with Central Power Ministry introducing an online portal "Prapti" for monitoring settlement of Invoices of power generators by the utilities has helped the Company to tackle the liquidity issues and is now debt free for past 2-3 years.

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

Sr. No.	Parameters	F.Y. 2025-26	F.Y. 2024-25
1	Debtors Turnover	41.95%	92.68%
2	Inventory Turnover	18.53%	22.97%
3	Interest Coverage Ratio	-4.79	10.42
4	Current Ratio	2.19	3.83
5	Debt Equity Ratio	0.06	0.21
6	Operating Profit Margin (%)	83.81%	121.55%
7	Net Profit Margin (%)	-9.59%	16.18%
8	Return on Net Worth	2.62%	3.60%

Notes:

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

a) The variation in Debtors Turnover Ratio is due to recovery of old dues of FY 2022-23 from State Utilities in FY 2025-26 resulting in improved ratio as compared to FY 2024- 25.

b) The interest coverage ratio became adverse pursuant to loss for the year due to higher Operation and Maintenance Costs, repairs to Wind mills at different sites as against healthy ratio in FY 2024-25.

c) The Current ratio strictly improved as the Company could realise old dues of FY 2022-23 from Utilities in FY 2025-26 and also settled certain old payables in FY 2025-26, but in FY 2024-25 Receivables included old dues from Utilities.

d) Improved Debt Equity ratio is also due to recovery of old dues of FY 2022-23 from State Utilities in FY 2025-26 facilitating payment of certain liabilities.

e) The variation in Operating Margin, Net Profit Margin and Return on Net Worth are all attributable to operating profits in FY 2024-25 being good due to expenses control and scrapping the loss making wind farm in Andhra Pradesh after 28-30 years of operation. However in F.Y. 2025-26 the Operation and Maintenance cost and repair to wind mills at different sites were on a higher side and despite improved turnover the margins were affected.

f) Adverse Net Profit Margin is due to higher Operation and Maintenance Costs, repairs to Wind mills at different sites resulting in loss for the year despite improved turnover.

g) Return on Net Worth reduced due to loss for the year pursuant to higher Operation and Maintenance Costs, repairs to Wind mills at different sites during FY 2025-26 despite improved turnover.

Annexure IV

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 2026 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/-
Chetan D. Mehra
CEO & Managing Directors
(DIN : 00022021)

Sd/-
T V Subramanian
CFO & Company Secretary

Date : 28th May, 2026

Annexure V

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, 2026 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 2026.

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: F006221H000520218

Place: Mumbai
Date: 28th May, 2026

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, 2024

[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.

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 2025. 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 2026, 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 2026 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

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.

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:

1. Resolutions passed in 18th Annual General Meeting of the Company held on 25th September 2025, for the below mentioned matters:

   a. Re-appointment of Shri Dharmendra Gulabchand Siraj (DIN: 00025543) as Director who retires by rotation.

For **Martinho Ferrao & Associates**
Company Secretaries
Sd/-
Martinho Ferrao
Proprietor
FCS No. 6221
C P. No. 5676
UDIN: F006221H000518139
Place: Mumbai
Date: 28th May 2026

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
UDIN: F006221H000518139

Place: Mumbai
Date: 28th May, 2026

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

Opinion

We have audited the accompanying financial statements of **KARMA ENERGY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, 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, 2026, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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.

Emphasis of matter:

We draw attention to Note 40 to the financial statements, which describes the effects of restatement of the information for the year ended March 31, 2025 arising from recognition of prior period expense. Our opinion is not modified in respect of this matter.

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 (I), Note 3 and Note 28 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 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, 2020 ("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, except that the back up of books of accounts is scheduled weekly instead of daily.

   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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph '2.(b)' above on reporting under Section 143(3)(b) of the Act.

   g) 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.

   h) 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.

   i) 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 25 to the 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.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

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

Atul Mehta
Partner
Membership No. 015935
ICAI UDIN : 26015935CKQNQW4304

Place : Mumbai
Date :May 28, 2026

Annexure - A to the Independent Auditors' Report

(The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of **Karma Energy Ltd** of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state 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 at any points of time during the year, from any banks or Financial Institutions 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 made investments in Mutual funds, granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans during the year and details of which are given below.

A. Aggregate amount of loan granted during the year:

Other party – Rs 1,345.48 Lakhs

B. Balance outstanding as at Balance sheet date in respect of above:

Other party – Rs. 953.81 Lakhs

The Company has not provided any guarantee or security, to companies, firms, Limited Liability Partnerships or any other parties during the year

(b) The investments made and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the repayment of principal is on demand and payment of interest has been regular.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted there is no overdue amount remaining outstanding as at the balance sheet date.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has granted loans repayable on demand during the year as referred in clause (a) above. The details are as below :

a. Aggregate amount of loans granted /outstanding to other party repayable on demand: Rs. 953.81 lakhs
b. Percentage of such loans to total loans granted /outstanding at year end is 100%

(iv) There are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 of the Companies Act 2013 are applicable and hence not commented upon. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of loans have been complied with by the Company.

(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 the year end 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	239.59	AY: 2018-19	Commissioner of Income Tax Appeals
Goods & service tax	Goods & service tax	39.09	FY 2018-19	GST appellate authority

(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) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and based on our examination, the company has an internal audit system, however it needs to strengthened to be commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the company during the year and till date in determining the nature, timing and extent of our audit procedures.

(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 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 and 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 spend 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

Atul Mehta
Partner
Membership No. 015935
ICAI UDIN: 26015935CKQNQW4304

Place: Mumbai
Date: May 28, 2026

Annexure - B to the Independent Auditors' Report
(Referred to in paragraph 2(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 with reference to the financial Statements of of Karma Energy Limited ("the Company") as of March 31, 2026 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 with reference to Financial statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2026, 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

Atul Mehta
Partner
Membership No. 015935
ICAI UDIN: 26015935CKQNQW4304

Place : Mumbai
Date : May 28, 2026

Karma Energy Limited

(CIN - L3110MH2007PLC168823)

Balance Sheet as at 31.03.26

Rupees in Lac

Particulars	Note No	As At 31.03.26	As At 31.03.25
ASSETS			
Non-Current Assets			
a Property, Plant and Equipment	2A	2,072.90	2,142.26
b Right of Use Assets	2B	48.50	63.95
c Financial Assets			
i Investments	3	1,105.54	576.12
ii Others	4	28.37	36.78
d Other Non-Current Assets	5	-	153.65
Total Non-Current Assets ==>		**3,255.31**	**2,972.76**
Current Assets			
a Inventories	6	165.36	196.19
b Financial Assets			
i Trade Receivables	7	123.14	695.66
ii Cash and Cash Equivalents	8	10.57	57.73
c Current Tax Assets		60.16	26.97
d Other Current Assets	9	1,091.79	1,250.56
Total Current Assets ==>		**1,451.02**	**2,227.11**
TOTAL ASSETS		**4,706.33**	**5,199.87**
EQUITY AND LIABILITIES			
Equity			
a Equity Share capital	10	1,156.99	1,156.99
b Other Equity	11	2,925.54	2,825.36
Total Equity ==>		**4,082.53**	**3,982.35**
Liabilities			
Non-Current Liabilites			
a Financial Liabilities			
i Borrowings	12	55.41	79.17
ii Lease Liabilities	41	58.08	75.57
b Provisions	13	18.08	4.32
c Deferred Tax Liabilites	27a	383.65	396.80
Total Non-Current Liabilities ==>		**515.22**	**555.86**
Current Liabilites			
a Financial Liabilities			
i Borrowings	14	23.73	24.69
ii Lease Liabilities	41	15.42	15.42
iii Trade Payables			
(a) Micro and Small Enterprises	15	4.25	70.30
(b) Other than Micro and Small Enterprises	15	4.44	5.98
iv Others	16	16.61	259.47
b Other Current Liabilities	17	20.37	42.01
c Provisions	18	23.76	29.95
d Current Tax Liabilities		-	213.84
Total Current Liabilities ==>		**108.58**	**661.66**
Total Liabilities ==>		**623.80**	**1,217.52**
TOTAL EQUITY and LIABILITIES		**4,706.33**	**5,199.87**

The accompanying notes form an integral part of the 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

Dharmendra G. Siraj
(Chairman)
DIN : 00025543

Chetan D. Mehra
(Vice Chairman &
Managing Director)
DIN : 00022021

Atul Mehta
Partner
Membership No. 15935
Mumbai, Dated : 28.05.26

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

Karma Energy Limited

(CIN : U51909MH2002PLC135840)

Statement of Profit and Loss for the year ended 31.03.26

Rupees in Lac

	Particulars	Note No	Year Ended 31.03.26	Year Ended 31.03.25
1	**Income**			
[a]	Revenue from Operations	19	975.83	870.27
[b]	Other Income	20	329.53	273.77
	Total Income		**1,305.36**	**1,144.04**
2	**Expenses**			
[a]	Operation and Maintenance Cost	21	663.87	316.79
[b]	Employee Benefits Expense	22	287.71	300.01
[c]	Finance Costs	23	16.16	14.95
[d]	Depreciation and Amortisation Expense	2A & 2B	202.02	189.37
[e]	Other Expenses	24	310.63	207.82
	Total Expenses		**1,480.39**	**1,028.94**
3	**Profit / (Loss) before Exceptional Item and Tax (1 - 2)**		**(175.03)**	**115.10**
4	Exceptional Items - Interest on Old Debts Recovered		81.43	25.73
5	**Profit / (Loss) before Tax (3 + 4)**		**(93.60)**	**140.83**
6	**Tax Expense:**			
[a]	Current Tax		-	48.93
[b]	Prior Year Tax		(186.40)	20.18
[c]	Deferred Tax	27a	(12.13)	(68.65)
	Total Tax Expenses		**(198.53)**	**0.46**
7	**Profit / (Loss) after Tax (5 - 6)**		**104.93**	**140.37**
8	**Other Comprehensive Income**			
[a]	Items that will not be reclassified to Profit or Loss			
	Re-measurement Gains / (Losses) on defined benefit plans		(1.31)	4.23
	Tax effect		0.33	(1.06)
	Net Gain / (Loss) on Fair Value through OCI - Equity Securities		(4.46)	(7.05)
	Tax effect		1.02	1.61
	Total Other Comprehensive Income (Net of Tax)		**(4.42)**	**(2.27)**
	Total Comprehensive Income for the year		**100.51**	**138.10**
	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	29	**0.91**	**1.21**
[b]	Diluted		**0.91**	**1.21**

The accompanying notes form an integral part of the 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

Dharmendra G. Siraj
(Chairman)
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Chetan D. Mehra
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Managing Director)
DIN : 00022021

Atul Mehta
Partner
Membership No. 15935
Mumbai, Dated : 28.05.26

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

Karma Energy Limited

Statement of Cash Flows for the year ended 31.03.26

Rupees in Lac

Particulars	31.03.26	31.03.25
Operating Activities		
Net Profit / (Loss) before Exceptional Items and Tax	**(93.60)**	**140.83**
Adjustments for :		
Depreciation and Amortisation	202.02	189.37
Finance Cost	16.16	14.95
Interest Income	(178.29)	(96.17)
Dividend Income	(0.04)	(0.04)
(Profit) / Loss on Sale / Discard of Fixed Asset	(37.17)	(47.41)
Income - Fair Value Gain on MF Investment	(38.28)	(12.91)
Sundry Balances Written (Back) / Off	8.80	0.41
Recovery of Bad Debts	-	(81.85)
(Profit) / Loss on Sale of Investment	(3.15)	(42.56)
Other Income	(0.85)	-
Miscellaneous Expenditure	0.03	0.04
Operating Profit / (Loss) before Working Capital changes	**(124.37)**	**64.66**
Changes in Working Capital :		
(Increase) / Decrease in Inventories	30.83	7.50
(Increase) / Decrease in Trade Receivables	563.72	221.38
(Increase) / Decrease in Other Non Current Financial Assets	8.41	0.15
(Increase) / Decrease in Other Current Assets	100.41	(107.68)
(Increase) / Decrease in Other Non-Current Assets	(1.31)	4.23
	577.69	**190.24**
Increase / (Decrease) in Trade Payables	(67.59)	(10.70)
Increase / (Decrease) in Other Current Liabilities	(21.64)	16.89
Increase / (Decrease) in Short Term Provisions	(6.19)	17.83
Increase / (Decrease) in Long Term Provisions	13.76	(16.57)
Increase / (Decrease) in Other Current Financial Liabilities	(242.86)	10.22
Cash generated from Operations	**253.17**	**207.91**
Net Income Tax (Paid) / Refund	(60.30)	(41.95)
Net Cash Flow from / (used in) Operating Activities (A)	**192.87**	**165.96**
Investing Activities		
Purchase of Fixed Assets	(160.62)	(134.11)
Capital Advance	153.65	(63.00)
Purchase of Long Term Investments - Mutual / Guilt Funds	(720.00)	(360.00)
Sale of Long Term Investments - Mutual / Guilt Funds	227.56	1,086.65
Sale of Fixed Assets	81.05	115.27
Loans Given	58.36	(1,012.17)
Interest Income	178.29	96.17
Dividend	0.04	0.04
Recovery of Bad Debts / (Bad Debts Written Off)	-	81.85
Net Cash Flow from Investing Activities (B)	**(181.67)**	**(189.30)**
Financing Activities		
Long Term Borrowings		
Loans Taken	-	108.00
Loans Repaid	(24.71)	(4.15)
Short Term Borrowings		
Loans Taken	-	381.23
Loans Repaid	-	(382.71)
Finance Cost	(8.05)	(5.31)
Principal Payment of Lease	(25.60)	(25.06)
Net Cash Flow from Financing Activities (C)	**(58.36)**	**72.00**
Total (A + B + C)	**(47.16)**	**48.66**
Cash and Cash Equivalent at the Beginning of the year	57.73	9.07
Cash and Cash Equivalent at the End of the year	10.57	57.73
	(47.16)	**48.66**

As per our report of even date attached

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

Atul Mehta
Partner
Membership No. 15935
Mumbai, Dated : 28.05.26

For and on behalf of the Board

Dharmendra G. Siraj
(Chairman)
DIN : 00025543

Chetan D. Mehra
(Vice Chairman &
Managing Director)
DIN : 00022021

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

Karma Energy Limited

Statement of Changes in Equity for the year ended 31.03.26

A. Equity Share Capital

(1) Current Reporting Period

Rupees in Lac

Balance as on 01.04.25	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 31.03.26**
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 01.04.24	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 31.03.25**
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 31.03.26

B. Other Equity

(1) Current Reporting Period

Rupees in Lac

	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Total
	General Reserve	Other Reserves (Capital Reserve)	Retained Earnings *		
Balance at the begining of the reporting period 01.04.25	**3,436.95**	**(146.58)**	**(550.25)**	**85.23**	**2,825.35**
Profit for the year	-	-	104.94	(3.44)	**101.50**
Re-measurement Gains / (Losses) on defined benefit plans	-	-	(1.31)	-	**(1.31)**
Balance at the end of the reporting period 31.03.26	**3,436.95**	**(146.58)**	**(446.62)**	**81.79**	**2,925.54**

(2) Previous Reporting Period

	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Total
	General Reserve	Other Reserves (Capital Reserve)	Retained Earnings *		
Balance at the begining of the reporting period 01.04.24	**3,436.95**	**(146.58)**	**(693.78)**	**90.67**	**2,687.26**
Profit for the year	-	-	140.37	(5.44)	**134.93**
Re-measurement Gains / (Losses) on defined benefit plans	-	-	3.17	-	**3.17**
Balance at the end of the reporting period 31.03.25	**3,436.95**	**(146.58)**	**(550.24)**	**85.23**	**2,825.36**

* Please refer Note no. 40

As per our report of even date attached

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

Atul Mehta
Partner
Membership No. 15935
Mumbai, Dated : 28.05.26

For and on behalf of the Board

Dharmendra G. Siraj
(Chairman)
DIN : 00025543

Chetan D. Mehra
(Vice Chairman &
Managing Director)
DIN : 00022021

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

Karma Energy Limited

Notes to Financial Statements for the year ended 31.03.26

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 financial statements were authorised for issue by the Company's Baord of Directors on **28.05.26**

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 two 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 41 – lease; whether an arrangement contains a lease and:
- Note 41 – 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 financial year ended 31.03.26 is included in the following notes:

- Note 2 – useful life of Property, plant and equipment
- Note 22.1 – employee benefit plans
- Note 25 – 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	5 Years	5 Years
Office Equipment's - Computer	3 Years	3 Years
Vehicle	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

Ind AS 116 sets out principles for the recognition, measurement, presentation and disclosure of leases. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. For all leases except as noted above, a lessee is required to recognise a Right-Of-Use asset (ROU Asset) representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments in the balance sheet. Lessee will recognise depreciation of right-of-use assets and interest on lease liabilities in the statement of profit and loss.

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**

Borrowings are initially recognised at fair value (net of transaction costs incurred). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of profit and loss over the period of the borrowings using the effective interest rate method. Subsequently all borrowings are measured at amortised cost using the effective interest rate method.

Borrowings are derecognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of financial liability that has been extinguished or transferred to another party and the consideration pald including any non-cash asset transferred or liability is assumed, is recognised in the statement of profit and loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

d 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.

e **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.

f **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.

For impairment testing, assets that do not generate independent cash inflows are grouped together into Cash Generating Units (CGUs). Each CGU represents fhe smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis

g **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.

Contingent Assets are disclosed, 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.

h **Employee Benefits Expense**

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively "new Labour Codes") - consolidating 29 existing labour laws. In accordance with the new Labour Codes, the Company has currently estimated and accounted for the incremental impact on retiral benefits under employee cost for the year ended March 31, 2026. The Company continues to monitor developments on the Rules to be notified by regulatory authorities, including clarifications / additional guidance from authorities and will continue to assess the accounting implications, basis such developments / guidance

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.

i **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, in which the current and the deferred tax is also recognised directly in equity or in other comprehensive income.

Current tax

Current tax is measured on the basis of estimated income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

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 liability is generally recognised for all taxable temporary differences. Deferred tax asset (including in respect of carried forward tax losses and tax credits) are recognised to the extent it is probable that the taxable profit will be available against which deductible temporary differences can be utilised.

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.

j **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.

k **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.

The Company has adopted Ind AS 115 - 'Revenue from Contracts with Customers' with effect from 01.04.2018. Revenue from the sale of goods in the course of ordinary activities is recognised at the 'transaction price' when the goods are 'transferred' to the customer. The 'transaction price' is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, goods and service tax). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. The goods are considered as 'transferred' when the customer obtains control of those goods.

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.

l **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.

m **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.

n **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.

o **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.

p **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.

q **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

Recent Indian Accounting Standard (Ind AS) pronouncements which are not yet effective Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Karma Energy Limited

Notes to the Financial Statements for the year ended 31.03.26

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 01.04.25	Addit-ions	Dedu-ctions	As At 31.03.26	As At 01.04.25	For the Year	Adj / Dedns	As At 31.03.26	As At 31.03.26	As At 31.03.25
	Property, Plant & Equipment :										
	Own Assets :										
1	Land - Freehold	162.14	-	-	162.14	-	-	-	-	162.14	162.14
2	Plant & Machinery	14,589.41	160.00	799.17	13,950.24	12,758.76	166.65	759.18	12,166.23	1,784.01	1,830.65
3	Road - Non RCC	61.37	-	-	61.37	58.29	-	-	58.29	3.08	3.08
4	Office Equipment	7.19	0.62	-	7.81	5.96	0.24	-	6.20	1.61	1.23
5	Vehicles	195.30	-	21.58	173.72	53.26	19.68	18.15	54.79	118.93	142.05
6	Wind Masts	25.83	-	-	25.83	23.47	-	-	23.47	2.36	2.36
7	Motor Car	14.27	-	-	14.27	13.64	-	-	13.64	0.63	0.63
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	Funiture & Fixtures	2.03	-	-	2.03	2.02	-	-	2.02	0.01	0.01
	Total (A)	**15,061.29**	**160.62**	**820.75**	**14,401.16**	**12,919.02**	**186.57**	**777.33**	**12,328.26**	**2,072.90**	**2,142.28**

B - Right of Use Assets

	Description	Gross Block				Depreciation				Net Block	
		As At 01.04.25	Addit-ions	Dedu-ctions	As At 31.03.26	As At 01.04.25	For the Year	Adj / Dedns	As At 31.03.26	As At 31.03.26	As At 31.03.25
	Leasehold Land (Refer Note 1.4 (b)	156.63	-	-	156.63	92.68	15.45	-	108.13	48.50	63.95
	Total (B)	**156.63**	**-**	**-**	**156.63**	**92.68**	**15.45**	**-**	**108.13**	**48.50**	**63.95**
Total (A + B)		**15,217.92**	**160.62**	**820.75**	**14,557.79**	**13,011.70**	**202.02**	**777.33**	**12,436.39**	**2,121.40**	**2,206.23**

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

Notes to the Financial Statements for the year ended 31.03.25

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 01.04.24	Addit-ions	Dedu-ctions	As At 31.03.25	As At 01.04.24	For the Year	Adj / Dedns	As At 31.03.25	As At 31.03.25	As At 31.03.24
	Property, Plant & Equipment :										
	Own Assets :										
1	Land - Freehold	162.14	-	-	162.14	-	-	-	-	162.14	162.14
2	Plant & Machinery	15,364.67	-	775.26	14,589.41	13,298.43	167.05	707.78	12,757.70	1,831.71	2,066.24
3	Road - Non RCC	61.37	-	-	61.37	58.29	-	-	58.29	3.08	3.08
4	Office Equipment	7.19	-	-	7.19	5.76	0.20	-	5.96	1.23	1.43
5	Vehicles	61.19	134.11	-	195.30	46.59	6.67	-	53.26	142.04	14.61
6	Wind Masts	25.83	-	-	25.83	24.54	-	-	24.54	1.29	1.29
7	Motor Car	19.89	-	5.62	14.27	18.88	-	5.24	13.64	0.64	1.01
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	Funiture & Fixtures	2.03	-	-	2.03	2.02	-	-	2.02	0.01	0.01
	Total (A)	**15,708.06**	**134.11**	**780.88**	**15,061.29**	**13,458.13**	**173.92**	**713.02**	**12,919.03**	**2,142.27**	**2,249.94**

B - Right of Use Assets

	Description	Gross Block				Depreciation				Net Block	
		As At 01.04.24	Addit-ions	Dedu-ctions	As At 31.03.25	As At 01.04.24	For the Year	Adj / Dedns	As At 31.03.25	As At 31.03.25	As At 31.03.24
	Leasehold Land	156.63	-	-	156.63	77.24	15.44	-	92.68	63.95	79.40
	Total (B)	**156.63**	**-**	**-**	**156.63**	**77.24**	**15.44**	**-**	**92.68**	**63.95**	**79.40**
Total (A + B)		**15,864.69**	**134.11**	**780.88**	**15,217.92**	**13,535.37**	**189.36**	**713.02**	**13,011.71**	**2,206.22**	**2,329.34**

Karma Energy Limited

Notes to the Financial Statements for the year ended 31.03.26

Rupees in Lac (except no. of shares)

Particulars	As at 31.03.26		As at 31.03.25	
	No of Shares / Units	Amount	No of Shares / Units	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		**-**		**-**
(B) Investments measured at Fair Value through Other Comprehensive Income				
Unquoted				
Fully paid-up Equity Shares				
Tapi Energy Projects Ltd (Face Value of Equity Shares - Rs. 10/-)	14,39,105	76.27	14,39,105	80.73
The Saraswat Co-op Bank Ltd (Face Value of Equity Shares - Rs. 10/-)	2,500	0.25	2,500	0.25
Sub Total		**76.52**		**80.98**
(C) Investment at Amortised Cost Debenture				
Hella Chemicals Market Pvt Ltd - NCD (Secured, Redeemable and Unlisted Non Convertible Debenture of Face Value Rs 10 lac each, interest payable quarterly, principal repayable in 3 equal installments)	-	-	20.000	134.41
		-		**134.41**
Investment in Mutual Funds				
SBI Crisil IBX Guilt Index June 2036	7,66,952.114	99.82	7,66,952.114	96.87
ABSL - Arbitrage Fund	7,59,937.358	929.20	7,59,937.358	213.67
ABSL - Liquid Fund	-	-	11,987.511	50.19
Sub Total		**1,029.02**		**360.73**
Total (B)		**1,105.54**		**576.12**
Total Non Current Investments		**1,105.54**		**576.12**
Market value of quoted investments		**1.59**		**2.92**
Aggregate amount of unquoted investments		**1,105.54**		**576.12**

Karma Energy Limited

Notes to the Financial Statements for the year ended 31.03.26

Rupees in Lac

Particulars	As At	
	31.03.26	31.03.25
Note No : 4		
OTHERS - Financial Asset (Non-Current)		
[Unsecured, Considered Good]		
Security Deposits - Premises	11.70	11.70
Security Deposits - Others	16.67	25.08
Total	**28.37**	**36.78**
Note No : 5		
OTHER NON-CURRENT ASSETS		
Capital Advance	-	153.65
Total	**-**	**153.65**
Note No : 6		
INVENTORIES		
(valued at lower of cost and net realisable value)		
Consumables / Spares	165.36	196.19
Total	**165.36**	**196.19**
Note No : 7		
TRADE RECEIVABLES		
Unsecured, Considered Good		
Trade Receivables - Power	120.55	675.13
Trade Receivables - Others	2.59	20.53
(Note : for ageing refer note no. 31 a & b)		
Total	**123.14**	**695.66**
Note No : 8		
CASH AND CASH EQUIVALENTS		
Cash on Hand	0.04	0.04
Balance with banks :		
- In Current A/c	10.53	57.69
Total	**10.57**	**57.73**
Note No : 9		
OTHER CURRENT ASSETS		
Advances Recoverable	17.12	91.54
Prepaid Contribution to Employee benefit Plan Assets	97.54	92.39
Prepaid Expenses	23.32	54.46
Loans and Advances - ICD	953.81	1,012.17
Total	**1,091.79**	**1,250.56**

Karma Energy Limited

Notes to the Financial Statements for the year ended 31.03.26

Rupees in Lac (except No of Shares)

	As at 31.03.26		As at 31.03.25	
	No of Shares	Amount	No of Shares	Amount
Note No : 10				
SHARE CAPITAL				
Authorised Share Capital				
Equity Shares of Rs. 10/- each	2,30,00,000	2,300.00	2,30,00,000	2,300.00
	2,30,00,000	**2,300.00**	**2,30,00,000**	**2,300.00**
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 [10.1]				
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 [10.2]

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 [10.3]

Details of shares held by each shareholder holding more than 5% shares :

Shareholders	As at 31.03.26		As at 31.03.25	
	No of Shares	Holding %	No of Shares	Holding %
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	34,64,348	29.94%	34,64,348	29.94%

Karma Energy Limited

Notes to the Financial Statements for the year ended 31.03.26

NOTE [10.4]

Details of shares held by promoters at the end of the year :

Name of Promoter / Promoter Group	As at 31.03.26		As at 31.03.25		% of change during the year
	No of Shares	% of total shares	No of Shares	% of total shares	
Dharmendra Gulabchand Siraj	844974	7.30	844974	7.30	-
Anju Siraj	988097	8.54	988097	8.54	-
Arun Durgadas Mehra	133	0.00	133	0.00	-
Isha Siraj Kedia	16629	0.14	16629	0.14	-
Weizmann Corporate Services Ltd (Formerly Avinaya Resources Ltd)	1000	0.01	1000	0.01	-
Hansneel Impex Private Ltd	1001	0.01	1001	0.01	-
Inspeed Power Private Ltd	2119442	18.32	2119442	18.32	-
Kotta Enterprises Ltd	3464348	29.94	3464348	29.94	-
Purvaja Projects Ltd	1000	0.01	1000	0.01	-
Prabhanjan Multitrade Pvt Ltd	579843	5.01	579843	5.01	-
Prabhanjan Multitrade Pvt Ltd (Partner of Suhami Power and Finance Corporation)	376771	3.26	376771	3.26	-
Ram Krishna Iron Works Pvt Ltd	1000	0.01	1000	0.01	-
Sitex India Private Ltd	245308	2.12	245308	2.12	-
Tapi Energy Projects Ltd	1000	0.01	1000	0.01	-
Windia Infrastructure Finance Ltd	2000	0.02	2000	0.02	-
Weizmann Ltd	500	0.00	500	0.00	-

Karma Energy Limited

Notes to the Financial Statements for the year ended 31.03.26

Rupees in Lac

Particulars	As At		
	31.03.26		31.03.25
Note No : 11			
OTHER EQUITY			
Capital Reserve			
Opening Balance	(1,46,57,575)	(146.58)	(146.58)
Closing Balance (i)	**(1,46,57,575)**	**(146.58)**	**(146.58)**
General Reserve			
Opening Balance	34,36,94,593	3,436.95	3,436.95
Closing Balance (ii)	**34,36,94,593**	**3,436.95**	**3,436.95**
Retained Earnings			
Opening Balance	(5,50,25,171)	(550.25)	(693.78)
Add : Profit / (Loss) for the Year	1,04,93,652	104.94	140.37
Add : Re-measurement Gains / (Losses) on defined benefit plans	(1,30,583)	(1.31)	3.17
Closing Balance (iii)	**(4,46,62,101)**	**(446.62)**	**(550.24)**
Equity Instruments Through Other Comprehensive Income			
Opening Balance	85,23,555	85.23	90.67
Add : Movement in OCI (Net) during the year	(3,44,049)	(3.44)	(5.44)
Closing Balance (iv)	**81,79,506**	**81.79**	**85.23**
Total (i+ii+iii+iv)	**29,25,54,423**	**2,925.54**	**2,825.36**

1) **Retained Earnings** :
This reserve represents the cumulative profits of the Company and the effects of remeasurement of defined benefit obligations. The reserve can be utilised in accordance with the provision of the Companies Act, 2013

2) **Capital Reserve** :
This reserve represents the cumulative profits of the Company and the effects of remeasurement of The capital reserve may be utilised by the company, in paying up unissued shares of the company to be issued to the Share Holders of the company as fully paid equity shares.

3) **General Reserve** :
General reserve was created from time to time by way of transfer of profits from retained earnings for appropriation purposes based on the provisions of the Companies Act prior to its amendment.

Note No : 12			
BORROWINGS (Secured)			
From Others (Secured against Hypothecation of Specific Vehicle) (The Company has not defaulted in repayment of borrowing and interest payment thereon.)	55,40,673	55.41	79.17
Total	**55,40,673**	**55.41**	**79.17**
Note - For Current Maturities of Long Term Borrowing, Refer Note No.14 (Borrowings - Current)			
Note No : 12.1			
Name of Non-Banking Financial Institution			
Mercedes-Benz Financial Services Pvt Ltd - 1st 12 fixed monthly installments of Rs.2,75,000/-, 2nd 12 fixed monthly installments of Rs.2,50,000/-, 3rd 12 fixed monthly installments of Rs.2,25,000/-, 4th 12 fixed monthly installments of Rs.2,10,000/- and 5th 12 fixed monthly installments of Rs.1,16,663/-.	55,40,673	55.41	79.17
Total	**55,40,673**	**55.41**	**79.17**

Karma Energy Limited

Notes to the Financial Statements for the year ended 31.03.26

Rupees in Lac

Particulars	As At		
	31.03.26		31.03.25
Note No : 13			
LONG TERM PROVISIONS			
Provision for Employee Benefits			
Leave Encashment	18,07,935	18.08	4.32
Total	**18,07,935**	**18.08**	**4.32**
Note No : 14			
BORROWINGS - CURRENT			
Secured Loans			
Current Maturities of Long-Term Borrowings	23,73,331	23.73	24.69
Total	**23,73,331**	**23.73**	**24.69**
Note No : 15			
TRADE PAYABLES			
Micro and Small enterprises	4,25,297	4.25	70.30
Others than Micro and Small Enterprises	4,44,250	4.44	5.98
(Note : for ageing refer note no. 32 a & b)			
Total	**8,69,547**	**8.69**	**76.28**
Note No : 16			
OTHER FINANCIAL LIABILITIES			
Payable to Employees	4,75,270	4.75	4.84
Other Payables	11,85,842	11.86	254.63
Total	**16,61,112**	**16.61**	**259.47**
Note No : 17			
OTHER CURRENT LIABILITIES			
Statutory Obligations	20,36,256	20.37	42.01
Total	**20,36,256**	**20.37**	**42.01**
Note No : 18			
PROVISIONS			
Provision for Employee Benefits			
Leave Encashment	23,75,366	23.76	29.95
Total	**23,75,366**	**23.76**	**29.95**

Karma Energy Limited

Notes to the Financial Statements for the year ended 31.03.26

Rupees in Lac

Particulars	Year Ended	
	31.03.26	31.03.25
Note No : 19		
REVENUE FROM OPERATIONS		
Revenue from Contracts with Customers		
Sale of Power	960.52	846.73
Sale of Goods	1.81	1.87
Sale of Services	13.50	21.67
Total	**975.83**	**870.27**
Note No : 20		
OTHER INCOME		
Interest - Others	96.86	70.44
Dividend on Non Current Investments	0.04	0.04
Insurance Claim	145.62	5.37
Profit on Sale of Fixed Asset	38.01	47.41
Profit on Sale of Investment	3.15	42.56
Income - Fair Value Gain on MF Investment	38.28	12.91
Other Income	3.70	13.07
Sundry Balances Written Back	3.86	0.12
Bad Debts Recovered	-	81.85
Total	**329.52**	**273.77**
Note No : 21		
OPERATING AND MAINTENANCE COST		
Energy / Open Access Charges	54.41	5.26
Operation and Maintenance	494.16	251.66
Others	11.42	13.53
Stores and Spares Consumed	103.88	46.34
Total	**663.87**	**316.79**
Note No : 22		
EMPLOYEES BENEFIT EXPENSE		
Salaries, Wages and Bonus	259.53	272.27
Contribution to Provident Funds and Other Funds	3.98	5.88
Staff Welfare Expenses	24.20	21.86
Total	**287.71**	**300.01**

Note No : 22.1

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	6.65%	6.65%
Salary Escalation	5.00%	5.00%
Defined Benefit Plan		
I) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Particulars		
Defined Benefit Obligation at the beginning of the year	61.15	62.53
Current Service Cost	2.18	2.82
Past Service Cost	-	-
Interest Cost	4.07	4.50
Liaiblity Transferred in / Acquisition	-	-
Actuarial (Gain) / Loss	0.18	(3.70)
Benefits Paid	(9.18)	(5.00)
Defined Benefit Obligation at year end	**58.40**	**61.15**

Karma Energy Limited

Notes to the Financial Statements for the year ended 31.03.26

Rupees in Lac

Particulars	Year Ended	
	31.03.26	31.03.25
Fair value of Plan Assets at the beginning of the year	153.54	147.21
Expected Return on Plan Assets	-	10.58
Actuarial (Gain) / Loss	-	-
Employer Contribution	0.20	0.22
Assets Transferred in / Acquisition	-	-
Benefits Paid	(9.18)	(5.00)
Actual Return on Plan Assets exluding Interest Income	11.38	0.54
Fair value of Plan Assets at year end	**155.94**	**153.54**
III) Reconciliation of Fair Value of Assets and Obligations		
Present Value of Obligation at the end of the year	(58.40)	(61.15)
Fair value of Plan Assets	155.94	153.54
Present Value of Obligation	97.54	92.39
Amount recognised in Balance Sheet Surplus / (Deficit)	**97.54**	**92.39**
IV) Actuarial Gain / (Loss) recognised		
Actuarial (Gain) / Loss on obligations	0.18	(3.70)
Return on Plan Assets, Excluding Interest Income	(11.38)	(0.54)
Total (Gain) / Loss for the year	(11.20)	(4.24)
Actuarial (Gain) / Loss recognised in the year	**(11.20)**	**(4.24)**
V) Expenses recognised during the year		
Current Service Cost	2.18	2.82
Net Interest Cost	4.07	(6.08)
Past Service Cost	-	-
Return on Plan Assets	-	-
Net Cost	**6.25**	**(3.26)**
In Other Comprehensive Income		
Actuarial (Gain) / Loss	0.18	(3.70)
Return on Plan Assets	(11.38)	0.54
Net (Income) / Expense for the period Recognised in OCI	**(11.20)**	**(3.16)**
Maturity Analysis of Projected Benefit Obligation - From the Fund		
Projected Benefits Payable in Future Years from the date of reporting		
1st Following Year	4.98	12.30
2nd Following Year	16.25	3.08
3rd Following Year	13.51	18.60
4th Following Year	7.56	7.70
5th Following Year	2.46	4.12
Sum of years 6 to 10	22.56	24.61
Sum of years 11 and above	9.52	10.52
Sensitivity Analysis		
Projected Benefits Obligation on Current Assumption	58.40	61.15
Delta Effect of +1% change in Rate of Discounting	(1.77)	(2.06)
Delta Effect of -1% change in Rate of Discounting	1.91	2.24
Delta Effect of +1% change in Rate of Salary Increase	1.94	2.25
Delta Effect of -1% change in Rate of Salary Increase	(1.82)	(2.11)
Delta Effect of +1% change in Rate of Employee Turnover	0.17	0.17
Delta Effect of -1% change in Rate of Employee Turnover	(0.18)	(0.18)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Karma Energy Limited

Notes to the Financial Statements for the year ended 31.03.26

Rupees in Lac

Particulars	Year Ended	
	31.03.26	31.03.25

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior year

Note No : 22.2 - Defined Contribution Plan

The company's provident fund schemes which are administered through Government of India are defined contribution plan. The company's contribution paid / payable under the scheme is recognised as expense in the statement of profit and loss during the year in which the employee renders the related services. There are no other obligations other than the contribution payable to the respective fund.

The amount recognised as an expense and included in the note "Employee benefits - Contribution to Provident and other funds"of the Statement of Profit and Loss is Rs 3.98 Lac (Prev Year - Rs 5.88 Lac).

Note No : 23		
FINANCE COSTS		
(a) Interest Expense on		
Secured Loans	7.81	1.50
On Lease Liabilities	8.11	9.64
Others	0.24	3.81
Total	**16.16**	**14.95**
Note No : 24		
OTHER EXPENSES		
Payment to Auditors	4.96	5.71
Conveyance and Travelling	20.32	19.04
Corporate Social Responsibility	3.15	-
Director Sitting Fees	1.30	1.98
Electricity Charges	0.52	0.57
Insurance Charges	51.46	30.95
Legal and Professional Charges	24.68	26.42
Communication Expenses	4.06	3.44
Rent	7.55	7.73
Rates and Taxes	129.28	75.93
Repairs and Maintenance - Others	0.71	0.71
Miscellaneous Expenses	61.80	35.34
Loss on Sale / Discard of Asset	0.84	-
Total	**310.63**	**207.82**
Payment to Auditor		
For Statutory Audit	4.75	4.65
For Tax Audit	-	0.75
For Out of Pocket Expenses	0.21	0.31
	4.96	**5.71**

Karma Energy Limited

Notes to Financial Statements for the year ended 31.03.26

Note No

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

a (a) Income Tax matters Rs. 239.59 Lac (Prev Year - Rs. 334.28 Lac)

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.

(b) GST Demand for FY 2018-19 - Rs. 39.09 Lac (Prev. Year - Rs. 39.09 Lac)

(c) Penalty proposed by SEBI on account of Listing, Obligation and Disclosure Requirements (LODR) - Rs. 29.25 Lac (Prev.Year - Rs.29.25 Lac)

(d) Estimated amount of contracts remaining to be executed on capital account not provided for Rs. Nil (Prev. Year - Rs. 27.65 Lac)

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

Loans and Advances to Subsidiary Companies : Rs. Nil

27 (a) Deferred Tax

The breakup of Net Deferred Tax Liability as on 31.03.26 Rupees in Lac

Particulars	Property, Plant & Equipment	Fair value of Investment	Proc. fees	Others (Fair Value Gain, Leave, Othrs)	Total
As at 31.03.24	**465.03**	**29.96**	**4.34**	**(32.27)**	**467.06**
Charged / (Credited)					
- To Profit or Loss	(59.38)	-	-	(11.43)	**(70.81)**
- To Other Comprehensive Income	-	1.61	-	(1.06)	**0.55**
As at 31.03.25	**405.65**	**31.57**	**4.34**	**(44.76)**	**396.80**
Charged / (Credited)					
- To Profit or Loss	3.19	-	-	(17.69)	**(14.50)**
- To Other Comprehensive Income	-	1.02	-	0.33	**1.35**
As at 31.03.26	**408.84**	**32.59**	**4.34**	**(62.12)**	**383.65**

(b) Income Tax Rupees in Lac

Particulars	31.03.26	31.03.25
Income Tax recognised in statement of Profit & Loss Account		
Current Tax	(186.40)	69.11
Deferred Tax	(12.13)	(68.65)
Income Tax Expenses recognised in the Current Year	**(198.53)**	**0.46**

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

Particulars	31.03.26	31.03.25
Profit before Tax	(93.60)	140.83
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	(23.56)	35.44
Tax Effect of :		
Income not Taxable	22.58	6.39
Permanent Difference	-	-
Re-assessment of deferred taxes	(13.15)	(70.26)
Expenses not deductible	2.00	4.78
Change in Tax Rate	-	-
Others - Adjustment of Tax of prior period	(186.40)	24.11
Current Tax (A)	(198.53)	0.46
Income Tax Expenses recognised in the Statement of Profit & Loss A/c	**(198.53)**	**0.46**

28 a Financial Instruments

Accounting classification and fair values Rupees in Lac

Particulars	As at 31.03.26			As at 31.03.25		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Finacial Asset						
Non Current Investments *	-	1,105.54	-	-	576.12	-
Other Non Current Financial Asset	-	-	28.37	-	-	36.78
Trade Receivables	-	-	123.14	-	-	695.66
Cash and Cash Equivalents	-	-	10.57	-	-	57.73
Other Bank Balance	-	-	-	-	-	-
Financial Liabilities						
Long-Term Borrowings	-	-	55.41	-	-	79.17
Short-Term Borrowings	-	-	23.73	-	-	24.69
Trade Payable	-	-	8.69	-	-	76.28
Current & Non Current Lease Laibilities	-	-	73.50	-	-	90.99
Other Current Financial Liabilities	-	-	16.61	-	-	259.47

Note *

1 Non Current Investments under FVTOCI includes Quoted and Unquoted Equity Instruments, Units of Mutual Fund.

2 Non Current Investments under Amortised Cost includes Equity Instruments of Subisidiaries & Associates.

b **Fair Value Measurment Hierarchy ;** Rupees in Lac

Particulars	As at 31.03.26			As at 31.03.25		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Finacial Asset						
Non Current Investments **	-	-	76.52	-	-	80.98

Note No

Note **

1 Non Current Investment includes Quoted and Unquoted Equity Instruments.

The financial instruments are categorised into various 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 (inlcuding 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 derivates) is determined using valuation techniques which maximise the use ofobservable 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					
31.03.26	**Carrying Amount**	**Total**	**Upto 1 year**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Trade payables	8.69	8.69	8.69	-	-
Other financial liabilities	16.61	16.61	16.61	-	-
Long term borrowings (including Current Maturity)	79.14	79.14	23.73	55.41	-
Short term borrowings	-	-	-	-	-

Contractual cash flows					
31.03.25	**Carrying Amount**	**Total**	**Upto 1 year**	**1-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Trade payables	76.28	76.28	76.28	-	-
Other financial liabilities	259.47	259.47	259.47	-	-
Long term borrowings (including Current Maturity)	103.86	24.69	24.69	-	-
Short term borrowings	24.69	24.69	24.69	-	-

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.

Note No

a **Currency risk**

The Company is not exposed to Foreign Currency Risk.

b **Interest risk**

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

Rupees in Lac

Particulars	31.03.26	31.03.25
Floating Rate Instruments		
Financial Liabilities		
Term Loans	79.14	103.86
Fixed Rate Instruments		
Financial Liabilities		
Term Loans	-	-
Inter-Corporate Deposits	-	-
	79.14	**103.86**

c **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.

Rupees in Lac

Particulars	31.03.26	31.03.25
Variable rate instruments	0.40	0.52
Cash flow sensitivity	**0.40**	**0.52**

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.

d **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.

Rupees in Lac

Particulars	31.03.26	31.03.25
Impact on Other Comprehensive Income		
Investments measured at Other Comprehensive Income		
Increase in price by 10%	-	-
Decrease in price by 10%	-	-

29 Earning Per Share

Rupees in Lac

Particulars	31.03.26	31.03.25
Net Profit / (Loss) After Tax attributable to Equity Shareholders	104.93	140.37
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	**0.91**	**1.21**

30 Related Party Disclosure

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

1 Related Party and their Relationship

Key Management Personnel	Relatives of KMP	Entities Controlled by KMP / Persons having significant influence
Dharmendra G Siraj - Chairman Chetan D Mehra - Vice Chairman & Managing Director Neelkamal V. Siraj - Director Hitesh V. Siraj - Director T. V. Subramanian - Company Secretary & CFO Smita V Davda - Independent Director Ballady S Shetty - Independent Director	Anju D Siraj	Hansneel Impex Pvt Ltd Suhami Power and Finance Corpn Sitex India Pvt Ltd Raghunatdas Bhagwandas Tanraj Enterprises Ramkrishna Iron Works Pvt Ltd

Trust - Sanidhya - A Weizmann Foundation (Formerly Shree Rukhmineesh Seva Trust)

Karma Energy Limited

Notes to Financial Statements for the year ended 31.03.26

Note No

2 Transactions with the related Parties — Rupees in Lac

Nature of Transaction	Entities Controlled by Key Management Personnel or his Relatives	Assoc-iates	Key Management Personnel & their Relatives	Total
Expenditure / Payments				
Remuneration - Total		-	**101.60**	**101.60**
		-	(86.00)	(86.00)
T. V. Subramanian		-	**60.00**	**60.00**
		-	(60.00)	(60.00)
Chetan D. Mehra		-	**41.60**	**41.60**
		-	(26.00)	(26.00)
Investments - Purchase & Sale				
Purchase	-	-	-	-
	(0.28)	-	(0.72)	(1.00)
Dharmendra Siraj	-	-	-	-
	-	-	(0.19)	(0.19)
Anju D Siraj	-	-	-	-
	-	-	(0.11)	(0.11)
Hansneel Impex Pvt Ltd	-	-	-	-
	(0.07)	-	-	(0.07)
Neelkamal Siraj	-	-	-	-
	-	-	(0.12)	(0.12)
Hitesh Siraj	-	-	-	-
	-	-	(0.09)	(0.09)
Sitex India Pvt Ltd	-	-	-	-
	(0.09)	-	-	(0.09)
Tanraj Enterprises	-	-	-	-
	-	-	(0.13)	(0.13)
Raghunatdas Bhagwandas	-	-	-	-
	(0.12)	-	-	(0.12)
Suhami Power and Finance Corporation	-	-	-	-
	-	-	(0.08)	(0.08)
Sales	-	-	-	-
	-	-	-	-
Ramkrishna Iron Works Pvt Ltd	-	-	-	-
	(1.00)	-	-	(1.00)
CSR Contribution	**3.15**	-	-	**3.15**
	-	-	-	-
Sanidhya - A Weizmann Foundation	**3.15**	-	-	**3.15**
(Formerly Shree Rukhmineesh Seva Trust)	-	-	-	-

Previous Year figures have been shown in brackets

31 (a) Trade Receivables - ageing as of 31.03.26 — Rupees in Lac

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	33.61	36.87	-	-	-	10.05	42.61	123.14
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 ===>	**33.61**	**36.87**	**-**	**-**	**-**	**10.05**	**42.61**	**123.14**

Karma Energy Limited

Notes to Financial Statements for the year ended 31.03.26

Note No

(b) Trade Receivables - ageing as of 31.03.25

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	42.60	44.78	12.66	-	62.44	296.75	236.43	695.66
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 ===>	**42.60**	**44.78**	**12.66**	**-**	**62.44**	**296.75**	**236.43**	**695.66**

32 (a) Trade Payables - ageing as of 31.03.26 Rupees in Lac

Sr No	Particulars	O/s 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	Undisputed - MSME	-	4.25	-	-	-	4.25
2	Undisputed - Others	-	4.44	-	-	-	4.44
3	Disputed Dues - MSME	-	-	-	-	-	-
4	Disputed Dues - Others	-	-	-	-	-	-
	Total ===>	**-**	**8.69**	**-**	**-**	**-**	**8.69**

(b) Trade Payables - ageing as of 31.03.25

Sr No	Particulars	O/s 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	Undisputed - MSME	-	70.30	-	-	-	70.30
2	Undisputed - Others	-	5.98	-	-	-	5.98
3	Disputed Dues - MSME	-	-	-	-	-	-
4	Disputed Dues - Others	-	-	-	-	-	-
	Total ===>	**-**	**76.28**	**-**	**-**	**-**	**76.28**

(c) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 under the Chapter on delayed payments to Micro and Small Enterprises.

	Particulars	31.03.26	31.03.25
i	Principal amount remaining unpaid to MSME suppliers as on year end	4.25	70.30
ii	Interest due on unpaid principal amount to MSME suppliers as on year end	-	-
iii	The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
iv	The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	-	-
v	The amount of interest accrued and remaining unpaid as on year end	-	-
vi	The amount of interest due and payable to be disallowed under Income Tax Act, 1961	-	-

33 Corporate Social Responsibility expenditure

The Corporate Social Responsibility (CSR) provisions under section 135 of the Act are not applicable to the Company during the year. However the Company has contributed voluntarily.

34 Following are the accounting ratios

		Numerator	Denominator	31.03.26	31.03.25	Variance	Remarks
a	Current ratio (in times)	Current Assets	Current Liabilities	13.36	3.37	297%	Realisation of Debtors
b	Debt-equity ratio (in times)	Total Debt	Shareholder's Equity	0.03	0.06	-39%	Repayment of loan
c	Debt service coverage ratio (in times)	Earning before Interest and Tax	Debt service	-4.79	0.86	-655%	Recovery of old debts realised with interest
d	Return on equity ratio (%)	Net Profit After Tax	Equity	0.09	0.04	128%	Recovery of old debts realised with interest
e	Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory	0.14	0.23	-38%	Not Applicable
f	Trade receivables turnover ratio (in times)	Sales	Average Accounts Receivable	0.60	1.08	-45%	Not Applicable
g	Trade payables turnover ratio (in times)	Purchase / Services Untilised	Average Accounts Payable	31.86	3.88	721%	Reduction in direct expenses
h	Net capital turnover ratio (in times)	Net Sales	Working Capital	0.73	0.56	31%	Improvement due to reduction in borrowing & realisation of Debtors
i	Net Profit ratio (%)	Net Profit after Tax	Net Sales	0.11	0.16	-33%	Reduction in expense
j	Return on capital employed (%)	Earning before Interest & Tax	Capital Employed	-0.02	0.04	-148%	Reduction in borrowing
k	Return on investment (%)	Income generated from investments	Average Investments	0.04	0.15	-	Due to increase in market rates and higher return on Mutual funds

Karma Energy Limited

Notes to Financial Statements for the year ended 31.03.26

Note No

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

Rupees in Lac

Sr No	Equity Investments	During the Year				As At 31.03.26		As At 31.03.25	
		Purchase		Sale					
		Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
1	Saraswat Co-op Bank Ltd - Equity	-	-	-	-	2,500	0.25	2,500	0.25
2	Tapi Energy Projects Ltd - Equity	-	-	-	-	14,39,105	76.27	14,39,105	80.73
3	Tapi Energy Projects Ltd - Loan	-	-	-	-	-	953.81	-	1,012.17

36 Valuation

a The Fair Value of investment in Quoted Equity Shares is measured at quoted price.

b 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. 12 & 16 offset by cash and cash equivalents) and equity of the Company (comprising issued capital, reserves and retained earnings as detailed in notes 10 and 11).

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 Lac

Particulars	As at 31.03.26	As at 31.03.25
Debt	55.41	79.17
Cash and Cash Equivalent	(10.57)	(57.73)
Net Debt	**44.84**	**21.44**
Equity	4,082.53	3,982.35
Net Debt to Equity Ratio	N.A.	N.A.

39 These financial statements are approved for issue by the Board of Directors of the Company on 28.05.26

40 Commission of Rs. 15.60 lakhs has been paid to Managing Director in FY 2025-26, based on profits for FY 2024-25 as approved by the Board in FY 2024-25 Accounts adoption meeting. Since it pertains to the financial year 2024-25 and no provision for such commission was made in the financial statements for FY 2024-25, the same has been given effect to in Financial Statements of FY 2024-25 in the current year, as a prior period item, by restatement of Employee benefit expenses, current liabilities and reserves.

41 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 1.4 (b) for accounting policy and transition effects of first time of Ind AS 116

Rupees in Lac

b

Sr	Particulars	31.03.26	31.03.25
1	Lease payments accounted as rent expense	7.55	7.73
2	Amortisation of Right of use assets	15.45	15.45
3	Unwinding discount on lease liabilities	8.11	9.64

c Maturity Analysis lease liabiltiies

Rupees in Lac

Sr	Particulars	31.03.26	31.03.25
1	Due in next 1 year	20.87	17.48
2	Due in next 1 - 3 years	49.52	44.18
3	Due in next 3 - 5 years	3.44	29.64
4	Due after 5 years	-	-

d Total cash outflows in respect of lease payments (including short term and low value leases) during the year were Rs. 25.60 Lac (Previous Year Rs. 25.06 Lac)

42 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 utilsation of borrowings

e Current maturiy of long term borrowings

Note No

v The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

vi The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.

vii The Company has not made any Loans or Advances in the nature of loans that are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that

a repayable on demand or

b without specifying any terms or period of repayment

43 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 intermidiary Shall:

a) 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

b) provide and guarantee, 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 :

a) 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

b) provide and guarantee, security or the like to or on behalf of the Ultimate beneficiaries

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

Signatures to the Notes 1 to 44 forming part of the **Balance Sheet as at 31.03.26** and the **Statement of Profit and Loss Account for the year ended 31.03.26**

As per our report of even date attached

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

Atul Mehta
Partner
Membership No. 15935
Mumbai, Dated : 28.05.26

For and on behalf of the Board

Dharmendra G. Siraj
(Chairman)
DIN : 00025543

Chetan D. Mehra
(Vice Chairman &
Managing Director)
DIN : 00022021

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

Karma Energy

(CIN : L31101MH2007PLC168823)

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