

U.B.SURA & CO

CHARTERED ACCOUNTANTS
14, KRISHNA KUNJ, 144/45, M. G. ROAD
GHATKOPAR (EAST), MUMBAI-400 077
Tel. 21022735, 21022095 email: caubsura@gmail.com

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

1. We have reviewed the quarterly financial results of **Karma Energy Limited** for the quarter ended **March 31, 2015** and audited the year-to-date financial results for the year from 1st April, 2014 to 31st March, 2015, attached herewith, being submitted by the company pursuant to the requirement of Clause 41 of the Listing Agreement, *except* for the disclosure regarding 'Public Shareholding and Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The financial results for the quarter ended 31st March, 2015 have been prepared on the basis of the financial results for the period 1st April, 2014 to 31st December, 2014 and audited annual financial statement as at and for the year ended 31st March, 2015 and the relevant requirements of Clause 41 of the Listing Agreement. These are the responsibility of the company's management and have been approved by the Board of Directors at the adjourned meeting held on 30th May, 2015. Our responsibility is to express an opinion on financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards, specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the standard generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement(s). An audit includes examining, on test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is invited to the note no 4, to the accompanying audited financial results the company had recorded revenue from its 18MW wind farm at Maharashtra at a low preferential tariff of Rs.2.52 per unit in the first quarter of the current financial year that was reversed in the subsequent quarter due to legal uncertainties and continued non recording of the revenue thereafter. The company in view of pronouncement of certain favorable judgments of Appellate Tribunal for Electricity, considered prudent, recorded revenue at a tariff of Rs.2.52 per unit aggregating to Rs.776.68 Lac for the sale of Power generated in FY 2014-15 from its said wind farm. In the event of non acceptance of liability by MSEDCL the loss would be higher by the similar amount.

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KARMA ENERGY LIMITED

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4. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
- i) are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regards; and
 - ii) give a true and fair view of the net profit and other financial information for the quarter ended 31st March, 2015 as well as the year to date results for the year from 1st April, 2014 to 31st March, 2015.
- 5 Further we also report that we have on the basis of books of accounts and other relevant records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholding in respect of aggregate amount of public shareholding, as furnished by the Company in terms of clause 35 of the Listing agreement with Stock Exchanges in particulars relating to the investor complaints disclosed in Part II – Select information for the quarter ended 31/3/2015 from the details furnished by the Registrar.

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



**U. B. SURA
PROPRIETOR
Mumbai: Dated: 30/05/2015**



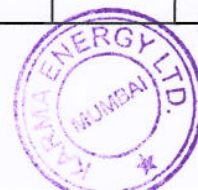
Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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

Audited Financial Results for the Quarter Ended 31.03.2015

PART I		Rs. in Lakh				
Statement of Standalone / Consolidated Audited Results for the Quarter Ended 31.03.2015						
	Particulars	Quarter Ended	Preceding Quarter Ended	Corresponding Quarter Ended	Year to date figures for the current period	Year Ended
		31.03.2015 Audited	31.12.2014 Unaudited	31.03.2014 Audited	31.03.2015 Audited	31.03.2014 Audited
1	Income from operations					
[a]	Net sales / income from operation (Net of excise duty)	772.12	67.99	219.07	1,412.76	2,417.81
[b]	Other operating income	71.01	25.29	142.88	119.73	438.18
	Total income from operations [net]	843.13	93.28	361.95	1,532.49	2,855.99
2	Expenses					
[a]	Cost of materials consumed	-	-	-	-	-
[b]	Purchase of stock-in-trade	-	-	-	-	-
[c]	Changes in inventories	-	-	-	-	-
[d]	Employee benefits expense	122.93	88.69	105.76	387.83	317.64
[e]	Depreciation and amortisation expense	126.45	121.95	192.09	490.00	774.47
[f]	Operation & Maintenance cost	117.01	83.08	84.39	416.60	357.48
[g]	Energy & Other Direct Costs	9.33	7.19	46.27	40.12	404.13
[h]	Other expense (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	56.85	36.83	69.30	179.28	222.47
	Total expenses	432.57	337.74	497.81	1,513.83	2,076.19
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	410.56	(244.46)	(135.87)	18.66	779.80
4	Other Income	55.87	(19.94)	38.86	132.72	280.37
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	466.43	(264.40)	(97.01)	151.38	1,060.17
6	Finance Costs	118.92	232.61	169.10	713.38	811.49
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	347.51	(497.01)	(266.11)	(562.00)	248.68
8	Exceptional Items	(240.90)	-	-	(139.30)	-
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	106.61	(497.01)	(266.11)	(422.70)	248.68
10	Tax Expense	39.84	(141.36)	(81.47)	(109.67)	95.91
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	66.77	(355.65)	(184.64)	(313.03)	152.77
12	Extra ordinary items (net of tax expense Rs _____)	-	-	-	-	-
13	Net Profit / (Loss) for the year (11 - 12)	66.77	(355.65)	(184.64)	(313.03)	152.77
14	Share of profit / (loss) of associates	-	-	-	-	-
15	Minority interest	-	-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of Profit / (Loss) of associates (13 + 14 + 15)	66.77	(355.65)	(184.64)	(313.03)	152.77
17	Paid up Equity Share Capital (Rs 10/- Per Share)	1,156.99	1,156.99	1,156.99	1,156.99	1,156.99
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year					3,459.70
19 i	Earning per Share (before extraordinary itmes) (of Rs 10/- each) (not annualised)					
(a)	Basic	0.58	(3.07)	(1.60)	(2.71)	1.32
(b)	Diluted	0.58	(3.07)	(1.60)	(2.71)	1.32
9 ii	Earning per Share (after extraordinary itmes) (of Rs 10/- each) (not annualised)					
(a)	Basic	0.58	(3.07)	(1.60)	(2.71)	1.32
(b)	Diluted	0.58	(3.07)	(1.60)	(2.71)	1.32
	See accompanying note to the financial results					



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Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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

In view of recent pronouncement of certain judgments on Open Access for Solar Energy by Appellate Tribunal for Electricity which is equally applicable to the contention of the Association in the subject petition before MERC and further since the MERC has finally heard the petition, pending judgment that may be in favour of the company, in the absence of receipt of the same at the time of finalization of the accounts for the financial year ended as at 31.03.2015, the Company without prejudice to the contentions in the said petition before MERC decided to record the revenue at the lower tariff at Rs.2.52 per unit as compared to better tariff that could be realized under open access in respect of its aforesaid wind farm.

- 5 As the Company has only one reportable segment, segment reporting as per Accounting Standard is not applicable.
- 6 Previous years' / periods' figures have been regrouped and / or reclassified wherever necessary to correspond with current years' / periods' classification / disclosure.

For KARMA ENERGY LIMITED



Ganesh N Kamath
Managing Director
DIN - 00040805

Place : Mumbai, Date : 30.05.2015



Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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

Standalone Statement of Assets and Liabilities

Rs in Lakh

Particulars		As at 31.03.2015	As at 31.03.2014
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital	1,156.99	1,156.99
	b) Share capital - Suspense Account	-	-
	c) Reserve and surplus	3,152.68	3,459.70
	d) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	4,309.67	4,616.69
2	Share application money pending allotment	-	-
3	Minority interest	-	-
4	Non-current liabilities		
	a) Long-term borrowings	3,304.71	4,482.77
	b) Deferred tax liabilities (net)	1,767.90	1,886.52
	c) Other long-term liabilities	-	-
	d) Long-term provisions	71.22	53.39
	Sub-total - Non-current liabilities	5,143.83	6,422.68
5	Current liabilities		
	a) Short-term borrowings	522.94	28.47
	b) Trade payables	144.52	95.81
	c) Other current liabilities	1,533.89	1,083.48
	d) Short-term provisions	7.67	413.99
	Sub-total - Current liabilities	2,209.02	1,621.76
	TOTAL - EQUITY AND LIABILITIES	11,662.52	12,661.13
B	ASSETS		
1	Non-current assets		
	a) Fixed Assets	5,842.76	6,004.69
	b) Goodwill on consolidation	-	-
	c) Non-current investments	3,435.86	3,435.81
	d) Deferred tax assets (net)	-	-
	e) Long-term loans and advances	85.91	286.28
	f) Other non-current assets	203.65	203.65
	Sub-total - Non-current assets	9,568.18	9,930.43
2	Current assets		
	a) Current investments	-	-
	b) Inventories	63.71	68.71
	c) Trade Receivables	1,557.50	337.06
	d) Cash and Bank Balances	391.35	370.16
	e) Short-term loans and advances	81.78	1,954.77
	f) Other current assets	-	-
	Sub-total - Current assets	2,094.34	2,730.70
	TOTAL - ASSETS	11,662.52	12,661.13

KARMA ENERGY LIMITED



Ganesh N Kamath
Managing Director
DIN - 00040805

Place : Mumbai, Date : 30.05.2015



Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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

Audited Financial Results for the Year Ended 31.03.2015

PART I		Rs. in Lakh	
Statement of Standalone / Consolidated Audited Results for the Year Ended 31.03.2015			
	Particulars	Financial Year Ended 31.03.2015	Financial Year Ended 31.03.2014
1	Income from operations		
[a]	Net sales / income from operation (Net of excise duty)	1,412.76	2,417.81
[b]	Other operating income	119.73	438.18
	Total income from operations [net]	1,532.49	2,855.99
2	Expenses		
[a]	Cost of materials consumed	-	-
[b]	Purchase of stock-in-trade	-	-
[c]	Changes in inventories	-	-
[d]	Employee benefits expense	387.83	317.64
[e]	Depreciation and amortisation expense	490.00	774.47
[f]	Operation & Maintenance cost	416.60	357.48
[g]	Energy & Other Direct Costs	40.12	404.13
[h]	Other expense (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	179.28	222.47
	Total expenses	1,513.83	2,076.19
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	18.66	779.80
4	Other Income	132.72	280.37
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	151.38	1,060.17
6	Finance Costs	713.38	811.49
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(562.00)	248.68
8	Exceptional Items	(139.30)	-
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	(422.70)	248.68
10	Tax Expense	(109.67)	95.91
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(313.03)	152.77
12	Extra ordinary items (net of tax expense Rs _____)	-	-
13	Net Profit / (Loss) for the year (11 - 12)	(313.03)	152.77
14	Share of profit / (loss) of associates *	-	-
15	Minority interest *	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of Profit / (Loss) of associates (13 + 14 + 15) *	(313.03)	152.77



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Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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

Audited Financial Results for the Year Ended 31.03.2015

PART I		Rs. in Lakh	
Statement of Standalone / Consolidated Audited Results for the Year Ended 31.03.2015			
	Particulars	Financial Year Ended 31.03.2015	Financial Year Ended 31.03.2014
17	Paid up Equity Share Capital (Rs 10/- Per Share)	1,156.99	1,156.99
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	3,152.68	3,459.70
19 i	Earning per Share (before extraordinary itmes) (of Rs 10/- each) (not annualised)		
(a)	Basic	(2.71)	1.32
(b)	Diluted	(2.71)	1.32
19 ii	Earning per Share (after extraordinary itmes) (of Rs 10/- each) (not annualised)		
(a)	Basic	(2.71)	1.32
(b)	Diluted	(2.71)	1.32
	See accompanying note to the financial results		

* Applicable in the case of consolidated results

Note :

The classification / disclosure of items in the financial results be in accordance with the Revised Schedule VI of the Companies Act, 1956.

Further to the above, profit/loss from discontinuing operations, if any, included in the above shall be disclosed with details thereof.



Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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Audited Financial Results for the Year Ended 31.03.2015

PART II			
Statement of Standalone / Consolidated Audited Results for the Year Ended 31.03.2015			
	Particulars	Financial Year Ended 31.03.2015	Financial Year Ended 31.03.2014
A	PARTICULARS OF SHAREHOLDING		
1	Public Shareholding		
	- No of Shares	2936916	2936916
	- Percentage of Holdings	25.38	25.38
2	Promoters and Promoter Group Shareholding **		
	(a) Pledged / Encumbered		
	- Number of Shares	NIL	NIL
	- Percentage of Shares (as of % of the total shareholding of promoter & promoter & promoter group)	N.A.	N.A.
	- Percentage of Shares (as of % of the total share capital of the company)	N.A.	N.A.
	(b) Non-encumbered		
	- Number of Shares	8633002	8633002
	- Percentage of Shares (as of % of the total shareholding of promoter & promoter & promoter group)	100.00	100.00
	- Percentage of Shares (as of % of the total share capital of the company)	74.62	74.62
	Particulars	12 months ended 31.03.2015	
B	INVESTOR COMPLAINTS		
	Pending at the beginning of the year		Nil
	Received during the year		9
	Disposed of during the year		9
	Remaining unresolved at the end of the year		Nil

NOTES :

- The above results have been taken on record at the meeting of the Board of Directors held on 30.05.2015
- Exceptional item represents the difference of (i) an amount of Rs.380.20 lacs being difference in tariff for sale value of wind power sold to state power Distribution Licencee (DL) in Andhra Pradesh from January 2011 to March 2014 as per order dated 06.09.2014 issued by Hon'ble State Electricity Regulatory Commission and (ii) Net Present Value compensation of Rs.240.90 lacs paid to Sahyadri Tiger Reserve Conservation Foundation as per Order Dated 16.01.2015 of Hon'ble Supreme Court of India against which the Company has filed petition with Hon'ble Supreme Court of India.
- The Company has charged depreciation based on the revised remaining useful life of the assets as per Schedule II of the Companies Act, 2013 effective from 1st April, 2014.
- The company in respect of its 18 MW wind farm in the state of Maharashtra, as in past years had applied for open access approval to the state utility for sale of power to third parties in FY 2014-15. However the state utility unilaterally denied granting of open access to many wind farm developers including the company leading to a petition to be filed before State Electricity Regulatory Commission (MERC) through an Association of Wind Power Developers of which the Company is a member.

The company had continued to feed the wind power generated into the grid of the state utility and had in the first quarter of the financial year on a conservative basis recorded the revenue from generation at the low preferential tariff of Rs.2.52 per unit. However, while the hearing on the petition was in process MERC announced a new Open Access Regulations incorporating most of the contentions of the State Utility for refusing open access for FY 2014-15. The Company considering the approach of MERC in interpreting the provisions of the Electricity Act and expecting long legal uncertainty decided to reverse the revenue recorded in the first quarter of FY 2014-15 and continued non recording of revenue from the said 18 MW wind farm.



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Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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In view of recent pronouncement of certain judgments on Open Access for Solar Energy by Appellate Tribunal for Electricity which is equally applicable to the contention of the Association in the subject petition before MERC and further since the MERC has finally heard the petition, pending judgment that may be in favour of the company, in the absence of receipt of the same at the time of finalization of the accounts for the financial year ended as at 31.03.2015, the Company without prejudice to the contentions in the said petition before MERC decided to record the revenue at the lower tariff at Rs.2.52 per unit as compared to better tariff that could be realized under open access in respect of its aforesaid wind farm.

- 5 As the Company has only one reportable segment, segment reporting as per Accounting Standard is not applicable.
- 6 Previous year figures have been regrouped and / or reclassified wherever necessary to correspond with current year's classification / disclosure.

For KARMA ENERGY LIMITED

**Ganesh N Kamath
Managing Director
DIN - 00040805**

Place : Mumbai, Date : 30.05.2015



Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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

Audited Financial Results for the Year Ended 31.03.2015

Rs in Lakh

Standalone / Consolidated Statement of Assets and Liabilities		As at	As at
Particulars		31.03.2015	31.03.2014
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital		
	i) Equity	1,156.99	1,156.99
	ii) Preference	-	-
	b) Reserve and surplus	3,152.68	3,459.70
	i) Capital Reserve (including Revaluation Reserve, if any)		
	c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	4,309.67	4,616.69
2	Share application money pending allotment	-	-
3	Minority interest *	-	-
4	Non-current liabilities		
	a) Long-term borrowings	3,304.71	4,482.77
	b) Deferred tax liabilities (net)	1,767.90	1,886.52
	c) Other long-term liabilities	-	-
	d) Long-term provisions	71.22	53.39
	Sub-total - Non-current liabilities	5,143.83	6,422.68
5	Current liabilities		
	a) Short-term borrowings	522.94	28.47
	b) Trade payables	144.52	95.81
	c) Other current liabilities	1,533.89	1,083.48
	d) Short-term provisions	7.67	413.99
	Sub-total - Current liabilities	2,209.02	1,621.76
	TOTAL - EQUITY AND LIABILITIES	11,662.52	12,661.13
B	ASSETS		
1	Non-current assets		
	a) Fixed Assets	5,842.76	6,004.69
	b) Goodwill on consolidation *	-	-
	c) Non-current investments	3,435.86	3,435.81
	d) Deferred tax assets (net)	-	-
	e) Long-term loans and advances	85.91	286.28
	f) Other non-current assets	203.65	203.65
	Sub-total - Non-current assets	9,568.18	9,930.43
2	Current assets		
	a) Current investments	-	-
	b) Inventories	63.71	68.71
	c) Trade Receivables	1,557.50	337.06
	d) Cash and Bank Balances	391.35	370.16
	e) Short-term loans and advances	81.78	1,954.77
	f) Other current assets	-	-
	Sub-total - Current assets	2,094.34	2,730.70
	TOTAL - ASSETS	11,662.52	12,661.13

For KARMA ENERGY LIMITED



Ganesh N Kamath
Managing Director
DIN - 00040805

Place : Mumbai, Date : 30.05.2015



U.B SURA & CO

CHARTERED ACCOUNTANTS

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

GHATKOPAR (EAST), MUMBAI-400 077

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

Independent Auditor's Report

To
The Board of Directors of
KARMA ENERGY LIMITED

1. We have audited the accompanying Statement of Consolidated Financial of **KARMA ENERGY LIMITED** ("the Company") and its subsidiary (the company and its subsidiary constitutes the "Group"), being submitted by the company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosure in Part II – Select Information referred to in paragraph 10 below. This statement has been prepared on the basis of the related annual standalone financial statements, which is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with the Rule 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Attention is invited to the note no 4, to the accompanying audited financial results the company had recorded revenue from its 18MW wind farm at Maharashtra at a low preferential tariff of Rs.2.52 per unit in the first quarter of the current financial year that was reversed in the subsequent quarter due to legal uncertainties and continued non recording of the revenue thereafter. The company in view of pronouncement of certain favorable judgments of Appellate Tribunal for Electricity, considered prudent, recorded revenue at a tariff of Rs.2.52 per unit aggregating to Rs.776.68 Lac for the sale of Power generated in FY 2014-15 from its said wind farm. In the event of non acceptance of liability by MSEDCL the loss would be higher by the similar amount.
4. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs.451.90Lac as at March 31, 2015 and total revenues of Rs.1.28Lac for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.



KARMA ENERGY LIMITED

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- i) In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of management accounts referred to in paragraph 3 above, the Statement includes the results of the subsidiary
 - ii) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges; and
 - iii) gives a true and fair view in conformity with the accounting principles generally accepted in India of the net profit and other financial information of the Company for the quarter and year ended 31/03/2015.
5. Further we also report that we have on the basis of books of accounts and other relevant records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholding in respect of aggregate amount of public shareholding, as furnished by the Company in terms of clause 35 of the Listing agreement with Stock Exchanges in particulars relating to the investor complaints disclosed in Part II – Select information for the quarter ended 31/3/2015 from the details furnished by the Registrar.

**FOR U.B.SURA & CO.,
CHARTERED ACCOUNTANTS
FRN 110620W**

U.B.Sura,

**U.B.SURA
PROPRIETOR
MEMBERSHIP NO: 32026
PLACE: MUMBAI
DATED: 30.05.2015**



Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

Regd. Office : Empire House, 214- Dr. D.N.Road A. K. Nayak Marg, Fort, Mumbai - 400 001

Audited Consolidated Financial Results for the Year Ended 31.03.2015

PART I		Rs. in Lakh	
Statement of Standalone / Consolidated Audited Results for the Year Ended 31.03.2015			
	Particulars	Consolidated Results for the Year Ended 31.03.2015	Consolidated Results for the Year Ended 31.03.2014
1	Income from operations		
[a]	Net sales / income from operation (Net of excise duty)	1,778.74	2,678.75
[b]	Other operating income	165.07	468.03
	Total income from operations [net]	1,943.81	3,146.78
2	Expenses		
[a]	Cost of materials consumed	-	-
[b]	Purchase of stock-in-trade	63.48	40.22
[c]	Changes in inventories	(36.99)	(6.55)
[d]	Employee benefits expense	550.10	471.06
[e]	Depreciation and amortisation expense	651.28	954.58
[f]	Operating & Maintenance Cost	474.01	560.43
[g]	Energy & Other Direct Costs	14.07	385.77
[h]	Other expense (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	269.05	347.10
	Total expenses	1,985.00	2,752.61
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	(41.19)	394.17
4	Other Income	140.60	225.48
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	99.41	619.65
6	Finance Costs	1,221.30	1,175.38
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(1,121.89)	(555.73)
8	Exceptional Items	(139.30)	-
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	(982.59)	(555.73)
10	Tax Expense	(327.70)	(145.45)
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(654.89)	(410.28)
12	Extra ordinary items (net of tax expense Rs _____)	-	-
13	Net Profit / (Loss) for the year (11 - 12)	(654.89)	(410.28)
14	Share of profit / (loss) of associates *	3.06	0.47
15	Minority interest *	(185.34)	(272.93)
16	Net Profit / (Loss) after taxes, minority interest and share of Profit / (Loss) of associates (13 + 14 + 15) *	(466.49)	(136.88)



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Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

Regd. Office : Empire House, 214- Dr. D.N.Road A. K. Nayak Marg, Fort, Mumbai - 400 001

Audited Consolidated Financial Results for the Year Ended 31.03.2015

PART I		Rs. in Lakh	
Statement of Standalone / Consolidated Audited Results for the Year Ended 31.03.2015			
	Particulars	Consolidated Results for the Year Ended 31.03.2015	Consolidated Results for the Year Ended 31.03.2014
17	Paid up Equity Share Capital (Rs 10/- Per Share)	1,156.99	1,156.99
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	2,233.55	2,694.24
19 i	Earning per Share (before extraordinary itmes) (of Rs 10/- each) (not annualised)		
(a)	Basic	(5.66)	(3.55)
(b)	Diluted	(5.66)	(3.55)
19 ii	Earning per Share (after extraordinary itmes) (of Rs 10/- each) (not annualised)		
(a)	Basic	(5.66)	(3.55)
(b)	Diluted	(5.66)	(3.55)
	See accompanying note to the financial results		

* Applicable in the case of consolidated results

Note :

The classification / disclosure of items in the financial results be in accordance with the Revised Schedule VI of the Companies Act, 1956.

Further to the above, profit/loss from discontinuing operations, if any, included in the above shall be disclosed with details thereof.



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Audited Consolidated Financial Results for the Year Ended 31.03.2015

PART II			
Statement of Standalone / Consolidated Audited Results for the Year Ended 31.03.2015			
	Particulars	Consolidated Results for the Year Ended 31.03.2015	Consolidated Results for the Year Ended 31.03.2014
A	PARTICULARS OF SHAREHOLDING		
1	Public Shareholding		
	- No of Shares	2936916	2936916
	- Percentage of Holdings	25.38	25.38
2	Promoters and Promoter Group Shareholding **		
	(a) Pledged / Encumbered		
	- Number of Shares	NIL	NIL
	- Percentage of Shares (as of % of the total shareholding of promoter & promoter & promoter group)	N.A.	N.A.
	- Percentage of Shares (as of % of the total share capital of the company)	N.A.	N.A.
	(b) Non-encumbered		
	- Number of Shares	8633002	8633002
	- Percentage of Shares (as of % of the total shareholding of promoter & promoter & promoter group)	100.00	100.00
	- Percentage of Shares (as of % of the total share capital of the company)	74.60	74.60
	Particulars	12 months ended 31.03.2015	
B	INVESTOR COMPLAINTS		
	Pending at the beginning of the year		Nil
	Received during the year		9
	Disposed of during the year		9
	Remaining unresolved at the end of the year		Nil

NOTES :

- The above results have been taken on record at the meeting of the Board of Directors held on 30.05.2015.
- Exceptional item represents the difference of (i) an amount of Rs.380.20 lacs being difference in tariff for sale value of wind power sold to state power Distribution Licencee (DL) in Andhra Pradesh from January 2011 to March 2014 as per order dated 06.09.2014 issued by Hon'ble State Electricity Regulatory Commission and (ii) Net Present Value compensation of Rs.240.90 lacs paid to Sahyadri Tiger Reserve Conservation Foundation as per Order Dated 16.01.2015 of Hon'ble Supreme Court of India against which the Company has filed petition with Hon'ble Supreme Court of India.
- The Company has charged depreciation based on the revised remaining useful life of the assets as per Schedule II of the Companies Act, 2013 effective from 1st April, 2014.
- The company in respect of its 18 MW wind farm in the state of Maharashtra, as in past years had applied for open access approval to the state utility for sale of power to third parties in FY 2014-15. However the state utility unilaterally denied granting of open access to many wind farm developers including the company leading to a petition to be filed before State Electricity Regulatory Commission (MERC) through an Association of Wind Power Developers of which the Company is a member.

The company had continued to feed the wind power generated into the grid of the state utility and had in the first quarter of the financial year on a conservative basis recorded the revenue from generation at the low preferential tariff of Rs.2.52 per unit. However, while the hearing on the petition was in process MERC announced a new Open Access Regulations incorporating most of the contentions of the State Utility for refusing open access for FY 2014-15. The Company considering the approach of MERC in interpreting the provisions of the Electricity Act and expecting long legal uncertainty decided to reverse the revenue recorded in the first quarter of FY 2014-15 and continued non recording of revenue from the said 18 MW wind farm.



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In view of recent pronouncement of certain judgments on Open Access for Solar Energy by Appellate Tribunal for Electricity which is equally applicable to the contention of the Association in the subject petition before MERC and further since the MERC has finally heard the petition, pending judgment that may be in favour of the company, in the absence of receipt of the same at the time of finalization of the accounts for the financial year ended as at 31.03.2015, the Company without prejudice to the contentions in the said petition before MERC decided to record the revenue at the lower tariff at Rs.2.52 per unit as compared to better tariff that could be realized under open access in respect of its aforesaid wind farm.

- 5 As the Company has only one reportable segment, segment reporting as per Accounting Standard is not applicable.
- 6 Previous year figures have been regrouped and / or reclassified wherever necessary.

For KARMA ENERGY LIMITED



Ganesh N Kamath
Managing Director
DIN - 00040805

Place : Mumbai, Date : 30.05.2015



Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

Regd. Office : Empire House, 214- Dr. D.N.Road A. K. Nayak Marg, Fort, Mumbai - 400 001

Audited Financial Results for the Year Ended 31.03.2015

Rs in Lakh

Standalone / Consolidated Statement of Assets and Liabilities		As at	As at
Particulars		31.03.2015	31.03.2014
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital	1,156.99	1,156.99
	b) Reserve and surplus	2,233.55	2,694.24
	c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	3,390.54	3,851.23
2	Share application money pending allotment	-	-
3	Minority interest *	(183.34)	2.00
4	Non-current liabilities		
	a) Long-term borrowings	3,676.71	5,052.59
	b) Deferred tax liabilities (Net)	1,080.35	1,392.22
	c) Other long-term liabilities	-	-
	d) Long-term provisions	79.38	61.66
	Sub-total - Non-current liabilities	4,836.44	6,506.47
5	Current liabilities		
	a) Short-term borrowings	5,461.08	3,684.48
	b) Trade payables	165.90	107.24
	c) Other current liabilities	1,865.23	1,385.09
	d) Short-term provisions	11.81	453.61
	Sub-total - Current liabilities	7,504.02	5,630.42
	TOTAL - EQUITY AND LIABILITIES	15,547.66	15,990.12
B	ASSETS		
1	Non-current assets		
	a) Fixed Assets	10,025.65	10,325.01
	b) Goodwill on consolidation *	1,598.32	1,598.32
	c) Non-current investments	769.58	766.67
	d) Deferred tax assets (Net)	-	-
	e) Long-term loans and advances	96.72	297.02
	f) Other non-current assets	203.65	203.65
	Sub-total - Non-current assets	12,693.92	13,190.66
2	Current assets		
	a) Current investments	-	-
	b) Inventories	452.56	417.59
	c) Trade Receivables	1,631.62	529.95
	d) Cash and Bank Balances	484.37	392.90
	e) Short-term loans and advances	259.49	1,459.02
	f) Other current assets	25.71	-
	Sub-total - Current assets	2,853.74	2,799.46
	TOTAL - ASSETS	15,547.66	15,990.12

For KARMA ENERGY LIMITED



Ganesh N Kamath
Managing Director
DIN - 00040805

Place : Mumbai, Date : 30.05.2015

