

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 Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

Board of Directors of Karma Energy Limited

We have audited the quarterly financial results of **Karma Energy Limited** for the quarter ended **31/03/2016** and the year to date results for the year ended **31/03/2016** attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under ; or by the Institute of Chartered Accountants of India , as applicable and other accounting principles generally accepted in India

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We believe that our audit provides a reasonable basis for our opinion. 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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- II) give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit/loss and other financial information of the group for the year ended **31st March, 2016**

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

U. B. Sura



U. B. SURA
PROPRIETOR

Mumbai: Dated:25/05/2016

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 31.03.2016

PART I		Rs. in Lakh				
Statement of Standalone / Consolidated Audited Results for the Year Ended 31.03.2016						
	Particulars	Quarter Ended 31.03.2016 Audited	Quarter Ended 31.12.2015 Unaudited	Quarter Ended 31.03.2015 Audited	Year Ended 31.03.2016 Audited	Year Ended 31.03.2015 Audited
1	Income from operations					
[a]	Net sales / income from operation (Net of excise duty)	101.43	166.85	772.12	1,298.06	1,412.76
[b]	Other operating income	45.45	27.88	71.01	99.35	119.73
	Total income from operations [net]	146.88	194.73	843.13	1,397.41	1,532.49
2	Expenses					
[a]	Cost of materials consumed	-	-	-	-	-
[b]	Purchase of stock-in-trade	-	-	-	-	-
[c]	Changes in inventories	-	-	-	-	-
[d]	Employee benefits expense	79.85	76.71	122.93	321.12	387.83
[e]	Depreciation and amortisation expense	124.36	125.72	126.45	500.16	489.99
[f]	Operation & Maintenance cost	100.96	68.10	117.01	356.26	416.60
[g]	Energy & Other Direct Costs	14.76	6.03	9.33	38.09	40.12
[h]	Other expense (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	57.82	32.51	56.85	184.28	179.28
	Total expenses	377.74	309.07	432.57	1,399.90	1,513.82
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	(230.85)	(114.35)	410.56	(2.49)	18.67
4	Other Income	14.04	8.15	55.87	38.09	132.72
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(216.81)	(106.20)	466.43	35.60	151.39
6	Finance Costs	176.29	178.62	118.92	699.45	713.38
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(393.11)	(284.82)	347.51	(663.85)	(562.00)
8	Exceptional Items	(519.59)	-	(240.90)	(519.59)	(139.30)
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	126.48	(284.82)	106.61	(144.26)	(422.70)
10	Tax Expense	97.29	(92.62)	39.84	9.96	(109.67)
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	29.19	(192.20)	66.77	(154.22)	(313.03)
12	Extra ordinary items (net of tax expense Rs _____)	-	-	-	-	-
13	Net Profit / (Loss) for the year (11 - 12)	29.19	(192.20)	66.77	(154.22)	(313.03)
14	Share of profit / (loss) of associates *	-	-	-	-	-
15	Minority interest *	-	-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of Profit / (Loss) of associates (13 + 14 + 15) *	29.19	(192.20)	66.77	(154.22)	(313.03)
17	Paid up Equity Share Capital (Rs 10/- Per Share)	1,156.99	1,156.99	1,156.99	1,156.99	1,156.99
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				2,998.45	3,152.68
19 i	Earning per Share (before extraordinary itmes) (of Rs 10/- each) (not annualised)					
(a)	Basic	0.25	(1.66)	0.58	(1.33)	(2.71)
(b)	Diluted	0.25	(1.66)	0.58	(1.33)	(2.71)
19 ii	Earning per Share (after extraordinary itmes) (of Rs 10/- each) (not annualised)					
(a)	Basic	0.25	(1.66)	0.58	(1.33)	(2.71)
(b)	Diluted	0.25	(1.66)	0.58	(1.33)	(2.71)
	See accompanying note to the financial results					

See



Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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

NOTES :

- 1 The above results have been taken on record at the meeting of the Board of Directors held on 25.05.2016.
- 2 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.

Pending disposal of the petition with MERC, the company as a conservative measure recorded the revenue for FY 2014-15 of the wind power generated and fed into the grid of the state utility, at a preferential tariff of Rs.2.52 per unit as fixed by MERC for sale of power to utilities from category of projects like that of the company.

Persuant to a favourable disposal of the petition of the Wind Power Association by MERC on 08.02.2016 permitting sale of power to third parties under Open Access for FY 2014-15 and thereafter the state utility issuing approval for Open Access, the Company recorded the difference in revenue between sale of wind power to third parties under Open Access and recording of revenue at preferential tariff and the same is reflected at Rs. 519.59 lacs Net of Open Access Expenses under Exceptional Items in the Profit & Loss Account.
- 3 As the Company has only one reportable segment, segment reporting as per Accounting Standard is not applicable.
- 4 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 : 25.05.2016



Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

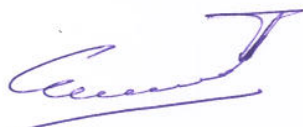
Regd. Office : Empire House, 214, Dr. D. N. Road, Ent. A. K. Nayak Marg, Fort, Mumbai - 400001

Audited Financial Results for the Year Ended 31.03.2016

Rs in Lakh

Standalone / Consolidated Statement of Assets and Liabilities		As at	As at
Particulars		31.03.2016	31.03.2015
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital		
	i) Equity	1,156.99	1,156.99
	ii) Preference	-	-
	b) Reserve and surplus	2,998.45	3,152.68
	i) Capital Reserve (including Revaluation Reserve, if any)		
	c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	4,155.44	4,309.67
2	Share application money pending allotment	-	-
3	Minority interest *	-	-
4	Non-current liabilities		
	a) Long-term borrowings	2,002.02	3,304.71
	b) Deferred tax liabilities (net)	1,672.86	1,767.90
	c) Other long-term liabilities	-	-
	d) Long-term provisions	58.39	71.22
	Sub-total - Non-current liabilities	3,733.27	5,143.83
5	Current liabilities		
	a) Short-term borrowings	4,032.10	522.94
	b) Trade payables	247.23	144.47
	c) Other current liabilities	1,385.56	1,533.94
	d) Short-term provisions	111.23	7.67
	Sub-total - Current liabilities	5,776.12	2,209.02
	TOTAL - EQUITY AND LIABILITIES	13,664.83	11,662.52
B	ASSETS		
1	Non-current assets		
	a) Fixed Assets	5,344.57	5,842.76
	b) Goodwill on consolidation *	-	-
	c) Non-current investments	4,420.75	3,435.86
	d) Deferred tax assets (net)	-	-
	e) Long-term loans and advances	85.55	85.91
	f) Other non-current assets	203.65	203.65
	Sub-total - Non-current assets	10,054.52	9,568.18
2	Current assets		
	a) Current investments	-	-
	b) Inventories	57.19	63.71
	c) Trade Receivables	3,055.95	1,557.50
	d) Cash and Bank Balances	389.75	391.35
	e) Short-term loans and advances	107.42	81.78
	f) Other current assets	-	-
	Sub-total - Current assets	3,610.32	2,094.34
	TOTAL - ASSETS	13,664.83	11,662.52

For KARMA ENERGY LIMITED



Ganesh N Kamath
Managing Director
DIN - 00040805

Place : Mumbai, Date : 25.05.2016



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 Consolidated Financial Results and Consolidated Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of Karma Energy Limited

We have audited the quarterly consolidated financial results of **Karma Energy Limited** for the quarter ended **31st March, 2016** and the consolidated year to date results for the year ended **31st March, 2016** attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated quarterly financial results as well as the consolidated year to date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued there under or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



We did not audit the financial statements of **Six** subsidiaries included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated interim financial statements reflect total assets of **Rs. 576.86 Lacs** for the year **31st March, 2016** as well as the total revenue of **Rs. 0.63 Lacs** for the year ended **31st March, 2016**. These interim financial statements and other financial information have been audited by other auditors whose report(s) has (have) been furnished to us, and our opinion on the quarterly financial results and the year to date results, to the extent they have been derived from such interim financial statements is based solely on the report of such other auditors.

In our opinion and to the best of our information and according to the explanations given to us these consolidated quarterly financial results as well as the consolidated year to date results:

- (i) include the quarterly financial results and year to date of the following entities:

S. No.	Name of the Entities
1	Almi Hydro Electric Projects Ltd.
2	Baledh Energy Projects Ltd.
3	Brahmanvel Energy Ltd.
4	Batot Hydro Power Limited
5	Greenweiz Projects Limited
6	Joiner Hydro Power Projects Ltd.
7	Khandesh Energy Projects Ltd.
8	Vajharpada Energy Ltd.

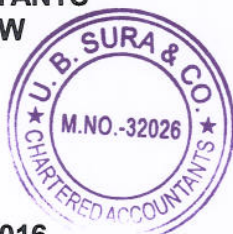
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (iii) give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit/loss and other financial information of the group for the year ended **31st March, 2016**.

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

U. B. Sura

U. B. SURA
PROPRIETOR

Mumbai: Dated: 25/05/2016



Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

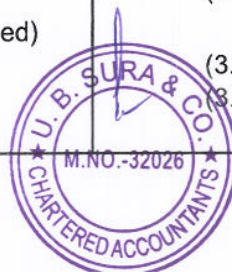
Regd. Office : Empire House, 214- Dr. D.N.Road A. K. Nayak Marg, Fort, Mumbai - 400 001

Audited Consolidated Financial Results for the Year Ended 31.03.2016

PART I		Rs. in Lakh	
Statement of Standalone / Consolidated Audited Results for the Year Ended 31.03.2016			
	Particulars	Consolidated Results for the Year Ended 31.03.2016	Consolidated Results for the Year Ended 31.03.2015
1	Income from operations		
[a]	Net sales / income from operation (Net of excise duty)	1,710.91	1,778.74
[b]	Other operating income	187.07	165.07
	Total income from operations [net]	1,897.98	1,943.81
2	Expenses		
[a]	Cost of materials consumed	-	-
[b]	Purchase of stock-in-trade	50.71	63.48
[c]	Changes in inventories	(13.11)	(36.99)
[d]	Employee benefits expense	487.49	550.10
[e]	Depreciation and amortisation expense	657.98	651.28
[f]	Operating & Maintenance Cost	358.55	433.83
[g]	Energy & Other Direct Costs	52.78	54.25
[h]	Other expense (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	291.35	269.05
	Total expenses	1,885.75	1,985.00
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)	12.24	(41.20)
4	Other Income	64.57	140.60
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	76.81	99.41
6	Finance Costs	1,250.06	1,221.30
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(1,173.26)	(1,121.89)
8	Exceptional Items	(519.59)	(139.30)
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	(653.67)	(982.59)
10	Tax Expense	109.51	(327.70)
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(763.18)	(654.89)
12	Extra ordinary items (net of tax expense Rs _____)	-	-
13	Net Profit / (Loss) for the year (11 - 12)	(763.18)	(654.89)
14	Share of profit / (loss) of associates *	4.05	3.06
15	Minority interest *	(304.38)	(185.34)
16	Net Profit / (Loss) after taxes, minority interest and share of Profit / (Loss) of associates (13 + 14 + 15) *	(454.75)	(466.49)
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	1,778.80	2,233.55
19 i	Earning per Share (before extraordinary itmes) (of Rs 10/- each) (not annualised)		
(a)	Basic	(3.93)	(4.03)
(b)	Diluted	(3.93)	(4.03)
19 ii	Earning per Share (after extraordinary itmes) (of Rs 10/- each) (not annualised)		
(a)	Basic	(3.93)	(4.03)
(b)	Diluted	(3.93)	(4.03)
	See accompanying note to the financial results		

* Applicable in the case of consolidated results

Cue



Karma Energy Limited

(Corporate Identity Number - L3110MH2007PLC168823)

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

NOTES :

- 1 The above results have been taken on record at the meeting of the Board of Directors held on 25.05.2016.
- 2 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.

Pending disposal of the petition with MERC, the company as a conservative measure recorded the revenue for FY 2014-15 of the wind power generated and fed into the grid of the state utility, at a preferential tariff of Rs.2.52 per unit as fixed by MERC for sale of power to utilities from category of projects like that of the company.

Persuant to a favourable disposal of the petition of the Wind Power Association by MERC on 08.02.2016 permitting sale of power to third parties under Open Access for FY 2014-15 and thereafter the state utility issuing approval for Open Access, the Company has recorded the difference in revenue between sale of wind power to third parties under Open Access and recording of revenue at preferential tariff and the same is reflected at Rs. 519.59 lacs Net of Open Access Expenses under Exceptional Items in the Profit & Loss Account.
- 3 As the Company has only one reportable segment, segment reporting as per Accounting Standard is not applicable.
- 4 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 : 25.05.2016



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 31.03.2016

Rs in Lakh

Standalone / Consolidated Statement of Assets and Liabilities		As at	As at
Particulars		31.03.2016	31.03.2015
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital	1,156.99	1,156.99
	b) Reserve and surplus	1,778.80	2,233.55
	c) Money received against share warrants	-	-
	Sub-total - Shareholders' funds	2,935.79	3,390.54
2	Share application money pending allotment	-	-
3	Minority interest *	720.88	(183.34)
4	Non-current liabilities		
	a) Long-term borrowings	4,044.51	3,676.71
	b) Deferred tax liabilities (Net)	1,082.63	1,080.35
	c) Other long-term liabilities	-	-
	d) Long-term provisions	65.07	79.38
	Sub-total - Non-current liabilities	5,192.21	4,836.44
5	Current liabilities		
	a) Short-term borrowings	5,230.94	5,461.08
	b) Trade payables	253.74	165.90
	c) Other current liabilities	1,941.56	1,865.23
	d) Short-term provisions	119.35	11.81
	Sub-total - Current liabilities	7,545.59	7,504.02
	TOTAL - EQUITY AND LIABILITIES	16,394.47	15,547.65
B	ASSETS		
1	Non-current assets		
	a) Fixed Assets	9,401.35	10,025.66
	b) Goodwill on consolidation *	1,598.32	1,598.32
	c) Non-current investments	773.64	769.58
	d) Deferred tax assets (Net)	-	-
	e) Long-term loans and advances	95.44	96.72
	f) Other non-current assets	203.65	203.65
	Sub-total - Non-current assets	12,072.40	12,693.93
2	Current assets		
	a) Current investments	-	-
	b) Inventories	469.59	452.56
	c) Trade Receivables	3,124.49	1,631.62
	d) Cash and Bank Balances	550.08	484.37
	e) Short-term loans and advances	146.57	259.49
	f) Other current assets	31.34	25.71
	Sub-total - Current assets	4,322.07	2,853.74
	TOTAL - ASSETS	16,394.47	15,547.66

For KARMA ENERGY LIMITED



Ganesh N Kamath
Managing Director
DIN - 00040805

Place : Mumbai, Date : 25.05.2016

