

U.B.SURA & CO

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

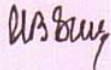
LIMITED REVIEW REPORT

We have reviewed the accompanying statement of un-audited financial result of **Karma Energy Limited** for the quarter ended **June 30, 2012** except for the disclosures 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. This statement is the responsibility of the company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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

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



U. B. SURA
PROPRIETOR
Mumbai: Dated: 13/08/2012



Karma Energy Limited

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

Unaudited Financial Results for the Quarter Ended 30.06.2012

| Rs. in Lakh | | | | | |
|---|---|-------------------------|-------------------------|-----------------------------|-----------------------|
| PART I Statement of Standalone / Consolidated Unaudited Results for the Quarter Ended 30.06.2012 | | | | | |
| | Particulars | Quarter ended | Preceding Quarter ended | Corresponding Quarter Ended | Previous Year Ended |
| | | 30.06.2012 Unaudited | 31.03.2012 Unaudited | 30.06.2011 Unaudited | 31.03.2012 Audited |
| 1 | Income from operations | | | | |
| [a] | Net sales / income from operation (Net of excise duty) | 613.16 | 286.72 | 233.84 | 2,354.49 |
| [b] | Other operating income | - | (189.03) | 110.73 | 181.14 |
| | Total income from operations [net] | 613.16 | 97.70 | 344.57 | 2,535.63 |
| 2 | Expenses | | | | |
| [a] | Cost of materials consumed | - | - | - | - |
| [b] | Purchase of stock-in-trade | - | - | - | - |
| [c] | Changes in inventories of finished goods, work-in-progress and stock-in-trade | - | 1.42 | - | - |
| [d] | Employee benefits expense | 29.08 | 93.10 | 17.57 | 169.59 |
| [e] | Depreciation and amortisation expense | 199.34 | 201.65 | 196.09 | 793.44 |
| [f] | Operation & Maintenance | 107.04 | 74.40 | 75.85 | 485.71 |
| [g] | Other expense (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately) | 47.52 | 153.78 | 50.10 | 193.95 |
| | Total expenses | 382.98 | 524.35 | 339.61 | 1,642.69 |
| 3 | Profit/(Loss) from operations before other income, finance costs and exceptional items (1 - 2) | 230.18 | (426.65) | 4.96 | 892.94 |
| 4 | Other Income | 58.21 | 340.36 | 30.36 | 447.15 |
| 5 | Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4) | 288.39 | (86.29) | 35.32 | 1,340.09 |
| 6 | Finance Costs | 253.99 | 231.86 | 198.49 | 944.67 |
| 7 | Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6) | 34.39 | (318.15) | (163.17) | 395.42 |
| 8 | Exceptional Items | - | - | - | - |
| 9 | Profit/(Loss) from ordinary activities before tax (7 + 8) | 34.39 | (318.15) | (163.17) | 395.42 |
| 10 | Tax Expense | 12.03 | (88.46) | (39.08) | 160.53 |
| 11 | Net Profit / (Loss) from ordinary activities after tax (9 - 10) | 22.36 | (229.69) | (124.09) | 234.89 |
| 12 | Extra ordinary items (net of tax expense Rs _____) | - | - | - | - |
| 13 | Net Profit / (Loss) for the period (11 - 12) | 22.36 | (229.69) | (124.09) | 234.89 |
| 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) * | 22.36 | (229.69) | (124.09) | 234.89 |



Karma Energy Limited

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Unaudited Financial Results for the Quarter Ended 30.06.2012

| PART I | | | | | Rs. in Lakh |
|---|--|-------------------------|-------------------------|-----------------------------|-----------------------|
| Statement of Standalone / Consolidated Unaudited Results for the Quarter Ended 30.06.2012 | | | | | |
| | Particulars | Quarter ended | Preceding Quarter ended | Corresponding Quarter Ended | Previous Year Ended |
| | | 30.06.2012 Unaudited | 31.03.2012 Unaudited | 30.06.2011 Unaudited | 31.03.2012 Audited |
| 17 | Paid up Equity Share Capital (Rs 10/- Per Share) | 1,156.44 | 1,156.44 | 1,156.44 | 1,156.44 |
| 18 | Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year | | | | 3,195.92 |
| 19 i | Earning per Share (before extraordinary itmes) (of Rs 10/- each) (not annualised) | | | | |
| (a) | Basic | 0.19 | (1.99) | (1.07) | 2.03 |
| (b) | Diluted | 0.19 | (1.99) | (1.07) | 2.03 |
| 19 ii | Earning per Share (after extraordinary itmes) (of Rs 10/- each) (not annualised) | | | | |
| (a) | Basic | 0.19 | (1.99) | (1.07) | 2.03 |
| (b) | Diluted | 0.19 | (1.99) | (1.07) | 2.03 |

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.



C. S.

Karma Energy Limited

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

Unaudited Financial Results for the Quarter Ended 30.06.2012

| PART II | | | | | |
|---|---|----------------------|---------------------------|------------------------|---------------------|
| Select Information for the Quarter Ended 30.06.2012 | | | | | |
| | Particulars | 3 months ended | Preceeding 3 months ended | Previous Quarter Ended | Previous Year Ended |
| | | 30.06.2012 Unaudited | 31.03.2012 Unaudited | 30.06.2011 Unaudited | 31.03.2012 Audited |
| A | PARTICULARS OF SHAREHOLDING | | | | |
| 1 | Public Shareholding | | | | |
| | - No of Shares | 2936916 | 2936916 | 2936916 | 2936916 |
| | - Percentage of Holdings | 25.40 | 25.40 | 25.40 | 25.40 |
| 2 | Promoters and Promoter Group Shareholding ** | | | | |
| | (a) Pledged / Encumbered | | | | |
| | - Number of Shares | NIL | NIL | N.A. | NIL |
| | - Percentage of Shares (as of % of the total shareholding of promoter & promoter group) | N.A. | N.A. | N.A. | N.A. |
| | - Percentage of Shares (as of % of the total share capital of the company) | N.A. | N.A. | N.A. | N.A. |
| | (b) Non-encumbered | | | | |
| | - Number of Shares | 8627441 | 8627441 | 8627441 | 8627441 |
| | - Percentage of Shares (as of % of the total shareholding of) | 100.00 | 100.00 | 100.00 | 100.00 |
| | - Percentage of Shares (as of % of the total share capital of the company) | 74.60 | 74.60 | 74.60 | 74.60 |

| Particulars | | 3 months ended 30.06.2012 |
|-------------|--|---------------------------|
| B | INVESTOR COMPLAINTS | |
| | Pending at the beginning of the quarter | Nil |
| | Received during the quarter | 3 |
| | Disposed of during the quarter | 3 |
| | Remaining unresolved at the end of the quarter | Nil |

NOTES :

- 1 The above results have been taken on record at the meeting of the Board of Directors held on 13.08.2012
- 2 Financial of Quarter Ended 30.06.2012 and Year Ended 31.03.2012 includes financials of Avirodh Financial Services Limited, consequent to tge amalgamation with the company with effect from 01.04.2011, the scheme was sanctioned by the H'ble High Court of Bombay on 13.04.2012
- 3 As the Company has only one reportable segment, segment reporting as per Accounting Standard is not applicable.
- 4 Previous Year's / Period's figures have been regrouped wherever necessary.

As per our Limited Review Report attached
For U. B. SURA & CO.
 Chartered Accountants

For and on behalf of the Board

U.B. Sura

U. B. SURA
 Proprietor
 Membership No. 32026
 Firm Regn. No. 110620W
 Place : Mumbai, Date : 13.08.2012



Ganesh N. Kamath

Ganesh N. Kamath
 Managing Director