

KEL/SEC/SKC/5/2025

May 30, 2025

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

BSE SCRIP CODE : **533451**

Sub: **Submission of Annual Secretarial Compliance Report for the year ended 31st March, 2025**

Dear Sir / Madam,

Enclosed please find herewith Annual Secretarial Compliance Report in respect of Financial Year ended 31st March, 2025 from Company Secretary in practice in compliance with SEBI Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the above on record and acknowledge receipt.

Thanking you

For **KARMA ENERGY LIMITED**

T V Subramanian
CFO & Company Secretary

KARMA ENERGY LIMITED

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**Secretarial Compliance Report
of
KARMA ENERGY LIMITED
for the year ended 31st March 2025**

We Martinho Ferrao & Associates have examined:

- (a) all the documents and records made available to us and explanation provided by Karma Energy Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended on 31st March 2025 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SAST);
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable during the year under review**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: **Not Applicable as the Company has not provided any share based benefits to the employees during the year under review.**



- (f) 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.**
- (g) 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.**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and based on the above examination, 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 hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Regulation pertains to the composition of the Board of Directors. This regulation mandates specific requirements for the number of independent directors, women directors. This regulation outlines requirements for the minimum number of directors on the audit committee, their	Regulation 17(1) (Board Composition) Regulation 18(1) (Audit Committee)	Failure to meet the prescribed requirements for the composition of the Board of Directors. Failure to meet the with the composition or meeting frequen	Stock Exchange	Fine/Show Cause Notice	Non-compliance for the quarter ending September 30, 2024. Days of non-compliance: 62 days Non-compliance for the quarter ending September 30,	Rs. 422,440	The Company has received a notice from the National Stock Exchange of India Limited (NSE) dated November 21, 2024, regarding non-compliance with SEBI (LODR) Regulations, 2015. The specific non-compliance identified for the quarter ending September 30, 2024, include: Regulation 17(1) (Board Composition) and Regulation 18(1)	Management acknowledges receipt of the National Stock Exchange of India Limited (NSE) notice dated November 21, 2024, regarding non-compliance with SEBI (LODR) Regulations, 2015. The total fine amount of Rs. 422,440/-, inclusive of GST, has been remitted to NSE Ltd. via UTR No. SBIN524330732505 on November 25, 2024. This payment	

	independence, and the frequency of their meetings		cy of the Audit Committee.			2024. Days of non-compliance: 12 days		(Audit Committee) Regulation 19 (Nomination and Remuneration Committee)	has been duly updated on the NEAPS portal under 'SOP Fines'.	
	This regulation specifies requirements for the composition of the NRC, its roles, and responsibilities, including policies on remuneration for directors, key managerial personnel, and senior management	Regulation 19 (Nomination and Remuneration Committee)	Non-adherence to the regulations concerning the Nomination and Remuneration Committee.			Non-compliance for the quarter ending September 30, 2024. Days of non-compliance: 12 days				
2.	This regulation concerns the appointment or non-continuation of non-executive directors who are 75 years of age or older.	Regulation 17(1A) (Board Composition)	Continuation of non-executive directors who have reached the age of 75.	Stock Exchange	Fine/How Cause Notice /	Non-compliance for the quarter ending December 31, 2024.	Rs.141600	The Company received a notice from the Bombay Stock Exchange (BSE) dated March 17, 2025, citing non-compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Specifically, the company has not complied with Regulation 17(1) for the quarter ended December 31, 2024. This non-compliance resulted in a fine of Rs. 120,000 (plus 18% GST, totaling Rs. 141,600) for 24 days of non-compliance.	The company has formally responded to the BSE, asserting that Regulation 17(1)(c) regarding the minimum number of directors is not applicable to them as they are not among the top 2000 listed entities by market capitalization as of March 31, 2024. The company's board composition otherwise complies with Regulation 17(1)(a) & (b), and the board size was subsequently increased to six directors effective October 25, 2024. A waiver of the fine has been requested, and the requisite processing fees have been paid to the BSE.	

3.	Regulation 17(1) of the Board of Directors. This regulation mandates specific requirements for the number of independent directors, women directors.	Regulation 17(1) of the Board of Directors.	Failure to meet the prescribed requirements for the composition of the Board of Directors.	Stock Exchange	Fine/How Cause Notice /		Rs.141600	The National Stock Exchange of India Limited (NSE) has issued a notice to Karma Energy Limited dated March 17, 2025, by remitting the full fine amount of Rs. 141,600 (inclusive of GST) on March 20, 2025. This payment has been duly updated on the NEAPS portal.	
4.	Regulation 23(1) and/or related provisions concerning Material Related Party Transactions	Regulation 23(1)	The company failed to take prior approval of shareholders before entering into a related party transaction exceeding 10% of the annual turnover. This is a direct violation of the requirement for prior sharehol	SEBI	Fine/How Cause Notice /	The company violated SEBI (LODR) Regulations by not obtaining prior shareholder approval for a material related party transaction and by failing to update its Related Party Policy in line	As the matter is still under hearing, the final penalty fine remains to be determined.	The Company received a show cause notice from SEBI on 05 th November 2024 for following non-compliances related to our SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations): Regulation 23(1) and/or related provisions concerning Material Related Party Transactions: The company failed to take prior approval of shareholders before entering into a related party transaction exceeding 10% of	The Company acknowledges the SEBI Show Cause Notice regarding the prior shareholder approval for a related party transaction and the update to our Related Party Policy. They admitted the unintentional oversight and have since obtained overwhelming post-facto shareholder approval (99.97%) for the transaction. The Company are actively engaged in settlement proceedings with SEBI, having submitted detailed explanations and our own penalty calculations. Apart from the above deviations the

	Regulation 23(2) and/or related provisions concerning Related Party Policy:	Regulation 23(2)	der approval for material RPTs. The company failed to update its Related Party Policy to align with amendments made in SEBI Listing Regulations.			with regulatory amendments.	the annual turnover. This is also represented a direct violation of the single person has requirement for incurred any gain prior shareholder approval for of the aforesaid material RPTs. deviation Regulation 23(2) and/or related provisions concerning Related Party Policy: The company failed to update its Related Party Policy to align with amendments made in SEBI Listing Regulations. This indicates a lapse in maintaining an updated and compliant policy framework.	



(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations of the practicing Company secretary in the previous reports	Observations made in the secretarial compliance report for the year ended.(the years are to be mentioned)	Comments of the practicing company secretary on the actions taken by the listed entity.	Remedial actions, if any, taken by the listed entity	Management Response	Remarks
1.	Materiality thresholds for related party transactions	Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	NA	Stock Exchange	Clarification	The Company violated SEBI (LODR) Regulations by not obtaining prior shareholder approval for a material related party transaction and by failing to update its Related party Policy in line with regulatory amendments.		<i>The Company has received email from NSE on 22nd November 2023 with respect to the inter-corporate deposit transaction with Tapi Energy Projects Ltd. The email specifically addresses the disclosure of this transaction, amounting to Rs. 462.53 Lakhs, as reported in the Company's related party transactions for the period ended</i>	The company has clarified that the company entered into transactions with Tapi Energy Projects Ltd, a Promoter Group company from April 1, 2023 to September 30, 2023, involving Inter Corporate Deposit (ICD) of Rs.194.90 Lakhs taken and Rs.282.63 Lakhs given, and while submitting the disclosure on Related Party Transactions, the Company reported a	Since the company has obtained post facto approval of the shareholder's by way of postal ballot and also updated the Related party policy on the website of the company and put in place practise of obtaining prior approval of the shareholders for related party transaction for each year. No comments made.	The company admitted the lapse as unintentional oversight and have since obtained overwhelming post-facto shareholder approval (99.97%) for the Related Party transaction and also updated its Related Party Policy in line with the regulatory amend	The Company has clarified that the Company entered into transactions with Tapi Energy Projects Ltd, a Promoter Group company, from April 1, 2023, to September 30, 2023, involving an Inter-Corporate Deposit (ICD) of Rs. 194.90 Lakhs taken and Rs. 282.63 Lakhs given, and while submitting the disclosure on Related Party Transactions, the	

							September 30, 2023. The NSE has sought clarification and further details regarding the compliance of this transaction with Regulation 23 of SEBI (Listing Obligations and Disclosures Requirements) Regulation 15, 2015, which governs the materiality thresholds for related party transactions.	consolidated figure of Rs.462.53 Lakhs, approved by the Audit Committee in May, 2022, noting that the aggregated figures represent amounts taken or given during the period without accounting for intermittent repayments, and acknowledging that the ICDs placed briefly exceeded 10% of the annual turnover for a week, for which the company agrees to seek member consent immediately and requests the NSE to condone this one-off lapse. The Company has since obtained shareholder's approval through		ments.	Company reported a consolidated figure of Rs. 462.53 Lakhs, approved by the Audit Committee in May 2022, noting that the aggregated figures represent amounts taken or given during the period without accounting for intermittent repayments, and acknowledging that the ICDs placed briefly exceeded 10% of the annual turnover for a week, for which the Company agrees to seek member consent immediately and requests the NSE to condone this one-off lapse. The Company has since obtained	
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									postal ballot on 17th January, 2024 and 28th March, 2024.			Shareholde r's approval through Postal Ballot on 17th January 2024 and 28th March 2024	
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Additional affirmations by Practicing Company Secretaries (PCS) in Annual Secretarial Compliance Report (ASCR):

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> ● All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities ● All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI 	Yes	



3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> ● The Listed entity is maintaining a functional website ● Timely dissemination of the documents/ information under a separate section on the website ● Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website 	Yes	
4.	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	
5.	Details related to Subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of AuditCommittee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by	Yes	

	the Audit Committee, in case no prior approval has been obtained.		
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).	Yes	The company has paid the fine to NSE for non-compliances cited in notices dated November 21, 2024 , and March 17, 2025 . Separately, a waiver application has been filed with BSE concerning a similar notice issued on March 17, 2025 .
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities	NA	There were no such instance during the period under review

13.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	
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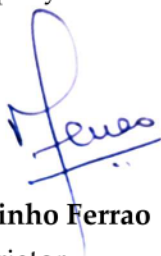
We further, report that the listed entity is in compliance/ not in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For Martinho Ferrao & Associates

Company Secretaries



Martinho Ferrao

Proprietor

Membership No.: FCS 6221

C.P. No.: 5676

UDIN: F006221G000457551



Place: Mumbai

Date: 27th May 2025