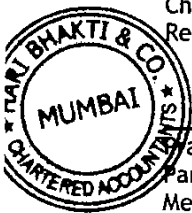


Limited Review Report

**Review Report to
The Board of Directors
SRM Energy Limited
Mumbai,**

1. We have reviewed the accompanying statement of unaudited financial results of SRM Energy Limited('the Company') for the quarter ended June 30,2011 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/ committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" 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.
3. Without qualifying our report, we draw attention to note no.1 of the notes in the financial results with regard to the going concern assumption used in the preparation of the financial results. The Company incurred a net loss of 15.73 lacs during the quarter ended 30.06.2011 and as of that date the Company's net worth has been substantially eroded. The Company's ability to continue as a going concern is dependent on the factors mentioned in the note therein and accordingly no adjustment has been made in the accompanying financial results.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards [Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 and/or Accounting Standards issued by Institute of Chartered Accountants of India] and other recognised 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 Haribhakti & CO.
Chartered Accountants
Registration No. 103523W



P. V. Paranjape
Prasad Paranjape
Partner
Membership No:47296

Mumbai
Date: July 11th, 2011

Our Offices :

Ahmedabad • Bengaluru • Chennai • Coimbatore • Delhi • Hyderabad • Kolkata • Mumbai • Pune