



The Board of Directors,
Enkei Castalloy Limited,
Gat no. 1426, Shikrapur,
Tal. Shirur, Dist. Pune 412208
Maharashtra.

Sirs,

LIMITED REVIEW REPORT

1. We have reviewed the accompanying statement of unaudited financial results ("Statement") of Enkei Castalloy Limited for the quarter ended 31.12.2009, prepared pursuant to Clause 41 of the Listing Agreement of Enkei Castalloy Limited. This statement is the responsibility of the Company's management and has been approved by the Board of Directors in its meeting held on 30.01.2010. 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) 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. a) As evident from Note 3 to the accompanying Statement, provision for the Income Tax (current and deferred) for the quarter ended 31.12.2009 is on an estimate basis. The effect of short/excess provision of taxes, if any, has not been determined by the Company.
b) In the accompanying statement of results for the quarter ended 31.12.2009, the Company has provided for short-term & long-term employee benefits such as, leave entitlements, compensated absences and post-employment benefits such as gratuity. However, the same are not strictly as per valuation methods prescribed under the Accounting Standard (AS)-15 (revised 2005)-'Employee Benefits'. The effect of short/excess provision has not been determined by the Company.
c) During the quarter ended 31.12.2009, the Company has changed its policy of inventory valuation to 'the lesser of cost or net realisable value' to all items of semi-finished goods. Earlier, some items were being valued at the percentage of selling price, percentage being estimated profit margin. The change in policy is in compliance to the method of valuation of inventory prescribed under the Accounting Standard (AS-2) 'Valuation of Inventories'.

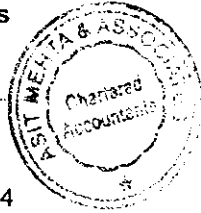
However, the Company has not determined the effect on the profit and loss of change in valuation method during the quarter ended 31.12.2009.

d) The supplier balances have remained to be confirmed and reconciled. The exercise is stated to be in the process. In the opinion of the management, the exercise is likely to be completed on or before 31.03.2010.

4. Subject to our remarks above, based on our review conducted as above, nothing else has come to our notice that causes us to believe that the accompanying statement of unaudited financial results, generally prepared in accordance with accounting standards 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 Asit Mehta & Associates
Chartered Accountants


Sanjay Rane
(Partner)



Membership No.: 100374

Place : Mumbai
Date : 26.02.2010