



The Board of Directors,  
**MORARJEE TEXTILES LIMITED,**  
MUMBAI

Dear Sirs,

We have reviewed the accompanying statement of unaudited financial results of **MORARJEE TEXTILES LIMITED, 2, Peninsula Spenta, Mathurdas Mills, Senapati Bapat Marg, Lower Parel, Mumbai 400 013**, for the quarter and half year ended 30<sup>th</sup> September, 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.

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.

***The company has not provided for foreign exchange loss amounting to Rs. 2.13 Crores for the period ended 30<sup>th</sup> September 2011 on Foreign Currency Loan availed. The above non provision is in violation to Accounting Standard 11 – The Effects of changes in foreign exchange as referred to in Section 211(3C) of Companies Act, 1956. As a result of the same, the profit for the quarter and half year ended 30<sup>th</sup> September 2011 is higher by Rs. 2.13 crore and correspondingly, the foreign currency loan is shown lower by an equivalent amount.***



Based on our review conducted as above, nothing has come to our attention except the matter mentioned above that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable 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 SHAH & CO.,  
CHARTERED ACCOUNTANTS  
FRN 109430W**

Mumbai:

Dt. 17/10/2011



**HEMENDRA N SHAH  
PARTNER**  
Membership Number 008152