

Limited Review Report

**Review Report to
The Board of Directors
Federal-Mogul Goetze (India) Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Federal-Mogul Goetze (India) Limited ('the Company') for the quarter ended March 31, 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 reviewed 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.
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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying our opinion, we draw your attention to the note no. 3 (a) of financial results stating that remuneration of Rs. 44.99 lacs for current quarter and Rs.333.28 lacs for earlier year being paid to the managing director is in excess of permissible remuneration under Schedule XIII of the Companies Act,1956. The Company has applied to the Central government for the approval of such excess remuneration. The management has obtained confirmation from the director that he will refund these amounts, to the extent of this being not approved by the Central government.
4. *As stated in note no 3 (b), remuneration of Rs. 119.85 lacs for the period April 1, 2006 to December31, 2006 and Rs. 38.47 lacs for the period January 1, 2007 to September 24, 2007 was paid to the erstwhile managing director of the Company which was in excess of permissible remuneration under Schedule XIII of the Companies Act, 1956. The Company had applied to the Central Government for the approval of such excess remuneration which was rejected by the Central Government. The Company has filed applications under Section 309(5B) of the Companies Act, 1956 to waive the recovery of the aforesaid amount from the erstwhile managing director. In absence of any recovery from the said director, non-recording of a receivable from the said director and rejection of approval from central government, we are unable to comment on outcome of the application pending in this regard and its consequent impact on the profit for the quarter and reserve and surplus as at March 31, 2011.*

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For FEDERAL-MOGUL GOETZE (INDIA) LTD.

Rajiv Kuma
Authorised Signatory



S.R. BATLIBOI & CO.

Chartered Accountants

5. Based on our review conducted as above, *subject to the effects of our comments 4 above relating to amounts recoverable from erst while managing director towards excess remuneration, the impact, if any, whereof is not ascertainable*, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", [notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended)] 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.

S.R. Batliboi & Co.

For S.R. Batliboi & Co.

Firm registration number: 301003E

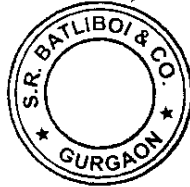
Chartered Accountants

Pankaj

per Pankaj Chadha

Partner

Membership No.: 91813



Place: Gurgaon

Date: *Apr 29, 2011*

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For: FEDERAL MCDOWELL & COY. LTD. (INDIA) LTD.

Rajesh Kumar
Authorised Signatory