



LIMITED REVIEW REPORT

The Board of Directors
HMT Ltd
Bangalore

We have reviewed the accompanying un-audited Statements of financial results of HMT Limited for the Half Year and Quarter ended 30th September 2012, except for the disclosures regarding 'Public Shareholding' and Promoter and Promoter Group Shareholding' which have been traced from disclosures made by management and have not been audited by us. The financial results incorporate the relevant returns of two Units reviewed by the Branch Auditors and returns of one Unit certified by the Unit Management.

These statements are the responsibility of the Management. 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) 2410, 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 of financial information consists principally of applying analytical procedures for financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. We have not performed an audit and accordingly, we do not express an audit opinion.

- 1. The Company has made long term investments aggregating to Rs1.66 Crores in a subsidiary company, viz., HMT Chinar Watches Limited whose net worth has eroded. In our opinion, there is a total decline in the value of these investments, which is other than temporary. No provision for above diminution is made as required by AS 13 prescribed under Companies (Accounting Standards) Rules, 2006.*
- 2. No provision has been made towards loans and advances due from the above subsidiaries amounting to Rs 78.12 Crores.*



**S.R.R.K. Sharma
Associates**