

Limited Review Report**Review Report to
The Board of Directors
Cimmco Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Cimmco Limited ('the Company') for the quarter ended December 31, 2013 (the "Statement"), 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 the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (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 Statement is 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. We draw attention to the following:
 - a) *Certain claims of Rs 4899.34 lacs (Rs 4899.34 lacs as at March 31, 2013), net of Rs 150 lacs received under a guarantee given by the Company, which have been considered good of recovery by the management. Pending decision of the Courts/ Arbitration proceedings, the recoverability of these claims is presently unascertainable, although the management is hopeful to recover these claims in full and upon which we are unable to comment on.*
 - b) *Recognition of net deferred tax asset (DTA) of Rs 1045.82 lacs (net of reversal of deferred tax charge of Rs. 70.77 lacs recognized during the quarter) on unabsorbed depreciation and brought forward business losses upto December 31, 2013, is based on the future profitability projections made by the management. However, in our opinion the same does not meet the criteria regarding virtual certainty as required by Accounting Standard 22, Accounting for Taxes on Income.*

Accordingly, had the impact of item (b) stated above been considered, the loss for the quarter would have been Rs. 960.89 lacs as against the reported net profit of Rs. 84.93 lacs

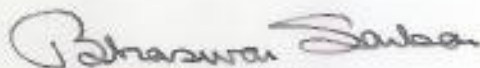
S.R. BATLIBOI & CO. LLP

Chartered Accountants

These had also caused us to qualify our audit opinion on the financial statements for the year ended March 31, 2013 and review report for the quarter ended September 30, 2013.

4. Based on our review conducted as above, *except for the possible effect of our observation in para 3(a) and the effect of observation in para 3(b)*, 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 under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013 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 S.R. BATLIBOI & CO. LLP
Firm Registration Number: 301003E
CHARTERED ACCOUNTANTS



per **Bhaswar Sarkar**

Partner

Membership No. 55596



Place: Kolkata.

Date: January 27, 2014