

## Review report

### To the Board of Directors of Hikal Limited

- 1 We have reviewed the accompanying statement of un-audited financial results ('the Statement') of Hikal Limited ('the Company') for the quarter ended 31 December 2011 and the year to date results for the period 1 April 2011 to 31 December 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. 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3 *As more fully explained in note no. 4 to the Company's statement of un-audited financial results, the Company has not provided for a "mark-to-market" loss on derivative contracts/receivables aggregating to Rs 7,534 lakhs as at 31 December 2011 (31 December 2010: Rs 3,409 lakhs) and for the exchange difference on working capital loans aggregating to Rs 1,354 lakhs as at 31 December 2011 (31 December 2010: Rs Nil) for the reasons stated by the management in the said note. Consequently, without considering the tax effect, the profit before tax for the quarter and reserves and surplus are overstated by Rs 8,888 lakhs (31 December 2010: Rs 3,409 lakhs).*
- 4 Based on our review conducted as above, *subject to our comments in paragraph 3 above*, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 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 **B S R & Company**  
Chartered Accountants  
Firm's Registration No: 128032W



Vijay Bhatt  
Partner

Membership No: 036647

Mumbai  
9 February 2012