



ಎಚ್‌ಎಂಟಿ ಲಿಮಿಟೆಡ್

(ಭಾರತ ಸರ್ಕಾರದ ಉದ್ಯಮ)
ಎಚ್‌ಎಂಟಿ ಭವನ, # 59, ಬೆಲ್ಲಾರಿ ರಸ್ತೆ,
ಬೆಂಗಳೂರು - 560 032, ಭಾರತ
ದೂರವಾಣಿ : 91-80-23330333
ಫ್ಯಾಕ್ಸ್ : 91-80-23339111
ಈ-ಮೇಲ್ : cho@hmtindia.com
ವೆಬ್‌ಸೈಟ್ : www.hmtindia.com

एचएमटी लिमिटेड

(भारत सरकार का उपक्रम)
एचएमटी भवन, # 59, बेल्लारी रोड
बेङ्गलूरु - 560 032, भारत
फोन : 91-80-23330333
फैक्स : 91-80-23339111
ई-मेल : cho@hmtindia.com
वेब साईट : www.hmtindia.com



HMT LIMITED

(A Govt. of India Undertaking)
HMT BHAVAN
59, Bellary Road,
Bengaluru - 560 032, INDIA
Phone : 91-80-23330333
Fax: 91-80-23339111
E-mail: cho@hmtindia.com
Website : www.hmtindia.com

एसईसीएल. S-5
Secl. S-5

23 जुलाई, 2025
23rd July, 2025

बीएसई लिमिटेड
BSE Limited
फिरोज जीजीभोय टावर्स
Phiroze Jeejeebhoy Towers
25वीं मंजिल, दलाल स्ट्रीट
25th Floor, Dalal Street
मुंबई - 400 001
Mumbai - 400 001
स्क्रिप कोड: 500191
Scrip Code: 500191

नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड
National Stock Exchange of India Limited
"एक्सचेंज प्लाजा"
"Exchange Plaza"
बान्द्रा-कुर्ला कॉम्प्लेक्स
Bandra-Kurla Complex
बान्द्रा (पूर्व), मुंबई- 400 051
Bandra (E), Mumbai - 400 051
स्क्रिप प्रतीक: HMT
Scrip Symbol: HMT

प्रिय महोदय/ महोदया,
Dear Sir/ Madam,

Sub: Statement of Audited Standalone and Consolidated Financial Results for the quarter and financial year ended March 31, 2025

Pursuant to Regulation 33(3) of SEBI (LODR) Regulation, 2015, please find enclosed herewith Statement of Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended March 31, 2025 approved by the Board of Directors of the Company at their meeting held today.

Board Meeting commencement time: 14:45
Board Meeting concluded time: 17:30

This is for your kind information and record.

भवदीय / Yours faithfully

एचएमटी लिमिटेड के लिए / For HMT Limited

(किशोर कुमार एस / KISHOR KUMAR S)

प्रबंधक (कंपनी सचिव) / Manager (Company Secretary)

संलग्न: ऊपरोक्त
Encl: As above

CIN : L29230KA1953GOI000748

निगमित कार्यालय : एचएमटी भवन, # 59, बेल्लारी रस्ते, बೆಂಗಳೂರು - 560 032, ಭಾರತ

पंजीकृत कार्यालय : एचएमटी भवन # 59, बेल्लारी रोड, बेंगलूरु - 560 032, भारत Corporate Office : HMT Bhavan # 59 Bellary Road, Bengaluru - 560 032, INDIA

HMT LIMITED
No.59, Bellary Road, Bangalore - 560 032
CIN L29230KA1953GOI000748

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2025

(Rs in lakhs)

	Particulars	Three months ended			Year ended	
		31-03-2025	31-12-2024	31-03-2024	31-03-2025	31-03-2024
		Audited*	Unaudited	Audited	Audited*	Audited
I	CONTINUING OPERATIONS					
1	Revenue from Operations	727	731	1602	2617	4791
2	Other Income	1510	1493	1456	5898	5127
	Total Income	2237	2224	3058	8515	9918
3	Expenses					
	a) Cost of materials consumed	394	149	1187	1029	3415
	b) Changes in Inventories (Increase)/decrease in SIT/WIP	(139)	47	(259)	(148)	(103)
	c) Employee benefits expense	142	182	206	672	755
	d) Depreciation and amortisation expense	35	37	57	145	211
	e) Finance Costs	4	40	-	79	-
	f) Other expenses	1705	1,110	1154	4844	3893
	Total expenses	2141	1565	2345	6621	8171
4	Profit /(Loss) before Exceptional Items	96	659	713	1894	1747
5	Exceptional items	-	-	-	-	-
6	Profit /(Loss) before tax	96	659	713	1894	1747
7	Tax Expense	284	-	(695)	284	(695)
8	Profit /(Loss) for the period from Continuing Operations(6±7)	(188)	659	1408	1610	2442
II	DISCONTINUED OPERATIONS					
9	Profit /(Loss) for the period from Discontinued Operations	-	-	-	-	-
10	Tax Income/(expense) of Discontinued Operations	-	-	-	-	-
11	Profit/(loss) from Discontinued Operations (9±10)	-	-	-	-	-
12	Profit /(Loss) for the period (8±11)	(188)	659	1408	1610	2442
13	Other Comprehensive Income					
	i) Items that will not be reclassified to profit / (Loss)	(20)	8	13	6	34
	ii) Income Tax relating to items that will not be reclassified to (Profit) / Loss	1	-	(9)	1	(9)
	Net Other Comprehensive Income	(21)	8	22	5	43
14	Total Comprehensive Income for the period (12±13)	(209)	667	1430	1615	2485
15	Paid-up Equity Share Capital (Face Value - Rs10/-)	35560	35560	35560	35560	35560
16	Other Equity	-	-	-	11933	10318
17	Earnings per share from Continuing Operations (face value Rs.10/- each)					
	i) Basic	(0.05)	0.19	0.40	0.45	0.69
	ii) Diluted	(0.05)	0.19	0.40	0.45	0.69
	Earnings per share from Discontinued Operations (face value Rs.10/- each)					
	i) Basic	0.00	0.00	0.00	0.00	0.00
	ii) Diluted	0.00	0.00	0.00	0.00	0.00
	Earnings per share from Continuing & Discontinued Operations (face value Rs.10/- each)					
	i) Basic	(0.05)	0.19	0.40	0.45	0.69
	ii) Diluted	(0.05)	0.19	0.40	0.45	0.69



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HMT LIMITED
 No.59, Bellary Road, Bangalore - 560 032
 CIN L29230KA1953GOI000748
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS
FOR THE YEAR ENDED 31ST MARCH 2025

(Rs in lakhs)

STANDALONE CASHFLOW STATEMENT


	Particulars	Year ended	
		31-03-2025 Audited*	31-03-2024 Audited
A	Operating activities		
	Profit/(loss) before tax from continuing operations	1894	1747
	Profit before tax	1894	1747
	<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
	Depreciation and impairment of Property, Plant and Equipment and Investment Properties	145	211
	Amortisation of Government Grant	-	-
	Profit on disposal of property, plant and equipment and Non Current Assets Held for Sale (net)	-	-
	Interest Income	(3520)	(2781)
	Finance Costs	79	-
	<i>Working capital adjustments:</i>		
	Movements in provisions, Gratuity, others	(385)	(38)
	(Increase)/Decrease in trade and other receivables and prepayments	(1352)	206
	(Increase)/Decrease in inventories	(73)	(195)
	Increase/(Decrease) in trade and other payables	(64)	(962)
		(3276)	(1812)
	Income tax (paid)/reversed	(271)	217
	Net cash flows from operating activities	(3547)	(1595)
B	Investing activities		
	Proceeds from sale of property, plant and equipment and Non Current Assets Held for Sale	-	-
	Purchase of property, plant and equipment	(1)	(64)
	Deposits with Banks	1861	(6586)
	Interest received	1309	1215
	Net cash flows used in investing activities	3169	(5435)
C	Financing activities		
	Interest Paid	(77)	-
	Repayment of borrowings	58	-
	Net cash flows from/(used in) financing activities	(19)	-
	Net increase in cash and cash equivalents	(397)	(7030)
	Opening balance of Cash and cash equivalents	608	7638
	Closing balance of Cash and cash equivalents	211	608

Note for Standalone Financial Results:

- The above statement of audited standalone financial results of HMT Limited, which have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI") were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 23-July-2025.
- The Company furnishes standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the audited consolidated financial statements. Accordingly, the segment information is given in the audited consolidated financial results of HMT Limited and its subsidiaries for the quarter and year ended March 31, 2025.
- The Statutory Auditors have carried out an audit of the above results for the year ended March 31, 2025 and have issued a modified opinion on the same. A statement showing the impact of audit qualifications is being filed separately.
- The figures for the fourth quarter (ending March 31, 2025) are the derived balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year. Also, the figures up to the end of the third quarter were only reviewed by an independent Chartered Accountant and not subjected to audit.
- Figures of previous period / year's have been regrouped wherever necessary to conform with current period / year's figures.
** Subject to C&AG Review*

Place: Bangalore
 Date: July 23, 2025



By order of the Board of Directors

 (Rajesh Kohli)
 Chairman and Managing Director
 (Addl. Charge)



EXTRACT OF THE AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2025

(Rs in lakhs)

Particulars	Three months ended			Year ended	
	31-03-2025	31-12-2024	2024	31-03-2025	31-03-2024
	Audited*	Unaudited	Audited	Audited*	Audited
1 Total income from Continuing Operations	2237	2224	3058	8515	9918
2 Net profit/ (loss) for the period (before tax, exceptional items)	96	659	713	1894	1747
3 Net profit/ (loss) for the period before tax (after exceptional items)	96	659	713	1894	1747
4 Net profit/ (loss) for the period after tax (after exceptional items)	(188)	659	1408	1610	2442
6 Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-
6 Total Comprehensive Income for the period (comprising profit for the period and other comprehensive income(net of tax))	(209)	667	1430	1615	2485
7 Paid up Equity Share Capital (face value of Rs.10/- each)	35560	35560	35560	35560	35560
8 Other Equity	-	-	-	11933	10318
9 Earnings Per Share from continuing operations (face value of Rs.10/- each)					
Basic :	(0.05)	0.19	0.40	0.45	0.69
Diluted :	(0.05)	0.19	0.40	0.45	0.69
Earnings Per Share from discontinued operations (face value of Rs.10/- each)					
Basic :	0.00	0.00	0.00	0.00	0.00
Diluted :	0.00	0.00	0.00	0.00	0.00

Note:

1. The above is an extract of the detailed format of Quarterly and Yearly Financial Results filed with the Stock Exchanges under regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly and Yearly Financial Results are available on the websites of Stock Exchange i.e. www.nseindia.com and www.bseindia.com and on the Company's website www.hmtindia.com

2. Figures of previous year have been regrouped wherever necessary.

* Subject to C&AG Review

By order of the Board of Directors


(Rajesh Kohli)
Chairman and Managing Director
(Addl. Charge)



Place: Bangalore
Date: July 23, 2025



HMT LIMITED

No.59, Bellary Road, Bangalore - 560 032

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS

FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2025

CIN: L29230KA1953GOI000748

(Rs in lakhs)

	Particulars	Three months ended			Year ended	
		31-03-2025 Audited*	31-12-2024 Unaudited	31-03-2024 Audited	31-03-2025 Audited*	31-03-2024 Audited
1	CONTINUING OPERATIONS					
1	Revenue from Operations	3978	2919	4892	14231	16339
2	Other Income	2526	1132	2276	6240	5370
	Total Income	6504	4051	7168	20471	21709
3	Expenses					
	a) Cost of materials consumed	2143	753	3718	6028	8899
	b) Purchase of Stock in Trade	26	9	85	351	536
	c) Changes in Inventories (Increase)/decrease in SIT/WIP	825	283	(1565)	1514	378
	d) Employee benefits expense	629	1797	1305	6232	7582
	e) Depreciation and amortisation expense	133	231	164	746	828
	f) Finance Costs	1855	1716	1811	6967	6806
	g) Other expenses	6804	1754	5902	12639	9981
	Total expenses	12415	6543	11420	34477	35010
4	Profit/(Loss) before Share of Investment in Associate & Joint Venture, Exceptional items & Tax from Continuing Operations	(5911)	(2492)	(4252)	(14006)	(13301)
5a	Share of Profit/(Loss) of an Associate & Joint venture	(1)	-	(1)	(1)	(1)
5b	Exceptional Items	2,636	(2636)	-	-	-
6	Profit/(Loss) before Tax	(3276)	(5128)	(4253)	(14007)	(13302)
7	Tax Expense	299	-	(294)	299	(294)
8	Profit/(Loss) for the period from Continuing Operations	(3575)	(5128)	(3959)	(14306)	(13008)
II	DISCONTINUED OPERATIONS					
9	Profit/(Loss) for the period from Discontinued Operations	0	0	353055	-	353070
10	Tax income/withdrawal of tax/(Expense) of Discontinued Operations	0	-	-84,986	-	(84986)
11	Profit/(Loss) from Discontinued Operations	0	0	268069	-	268084
12	Profit/(Loss) for the period	(3575)	(5128)	264110	(14306)	255076
13	Other Comprehensive Income					
	i) Items that will not be reclassified to profit/(Loss)	(306)	9	(19)	(280)	25
	ii) Income Tax relating to items that will not be reclassified to Profit/(Loss)	(1)	-	9	(1)	9
	Net Other Comprehensive Income	(307)	9	(10)	(281)	34
14	Total Comprehensive Income for the period (12±13)	(3882)	(5119)	264100	(14587)	255110
15	Profit/(Loss) for the year attributable to:					
	Equity holders	(3575)	(5128)	264110	(14306)	255076
	Non-Controlling Interest	-	-	-	-	-
16	Other Comprehensive Income attributable to:					
	Equity holders	(307)	9	(10)	(281)	34
	Non-Controlling Interest	-	-	-	-	-
17	Total Other Comprehensive income for the year attributable to:					
	Equity holders	(3882)	(5119)	264100	(14587)	255110
	Non-Controlling Interest	-	-	-	-	-
18	Paid-up Equity Share Capital (Face Value - Rs.10/-)	35560	35560	35560	35560	35560
19	Other Equity	-	-	-	(225350)	(210763)
20	Earnings per share from Continuing Operations (face value Rs.10/- each)					
	i) Basic	(1.01)	(1.44)	(1.11)	(4.02)	(3.66)
	ii) Diluted	(1.01)	(1.44)	(1.11)	(4.02)	(3.66)
	Earnings per share from Discontinued Operations (face value Rs.10/- each)					
	i) Basic	0.00	0.00	75.38	0.00	75.39
	ii) Diluted	0.00	0.00	75.38	0.00	75.39
	Earnings per share from Continuing & Discontinued Operations (face value Rs.10/- each)					
	i) Basic	(1.01)	(1.44)	74.27	(4.02)	71.73
	ii) Diluted	(1.01)	(1.44)	74.27	(4.02)	71.73



HMT LIMITED
No.59, Bellary Road, Bangalore - 560 032
STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2025
CIN: L29230KA1953GOI000748

(Rs in lakhs)

Primary Segment information for the year ended 31st March 2025

Particulars	Three months ended			Year ended	
	31-03-2025	31-12-2024	31-03-2024	31-03-2025	31-03-2024
	Audited*	Unaudited	Audited	Audited*	Audited
1 Segment Revenue					
Food Processing Machinery	357	289	1258	1134	3605
Machine Tools	3278	2068	2857	11077	9970
Proejcts	6	1038	494	1535	1759
Others	371	442	344	1484	1186
Total	4012	3837	4953	15230	16520
Less: inter Segment Revenue	34	918	61	999	181
Total	3978	2919	4892	14231	16339
2 Segment Results					
Segment Result before Interest & Taxes					
Food Processing Machinery	93	74	239	67	65
Machine Tools	(1615)	(5048)	(3502)	(10192)	(8841)
Proejcts	101	937	380	1185	683
Others	0	625	441	1900	1597
Total	(1421)	(3412)	(2442)	(7040)	(6496)
Less:					
Interest Expenses	1855	1716	1811	6967	6806
Profit/(Loss) before Tax	(3276)	(5128)	(4253)	(14007)	(13302)
3 Segment Assets					
Food Processing Machinery	2009	1955	2440	2009	2440
Machine Tools	26386	29680	31338	26386	31338
Projects	5887	5796	5706	5887	5706
Others	20600	26763	22622	20600	22622
Unallocated and Discontinued	(2294)	(2266)	(1603)	(2294)	(1603)
Total	52588	61928	60503	52588	60503
4 Segment Liabilities					
Food Processing Machinery	1409	1428	1937	1409	1937
Machine Tools	57703	58497	56426	57703	56426
Projects	1881	1832	1924	1881	1924
Others	17692	17195	17254	17692	17254
Unallocated and Discontinued	163693	168884	158165	163693	158165
Total	242378	247836	235706	242378	235706

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HMT LIMITED
 No.59, Bellary Road, Bangalore - 560 032
STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS
AS AT 31ST MARCH 2025
CIN: L29230KA1953GOI000748

(Rs in lakhs)

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

Sl.	Particulars	As at 31-03-2025 Audited*	As at 31-03-2024 Audited
A	ASSETS		
1	Non Current Assets		
	(a) Property, plant & equipment	3028	3404
	(b) Capital work-in-progress	210	331
	(c) Investment property	601	629
	(d) Financial Assets		
	Investments	18	18
	Other Financial Assets	505	429
	(e) Other Non current Assets	381	384
	Sub total	4743	5195
2	Current Assets		
	(a) Inventories	9660	11602
	(b) Financial Assets		
	Trade Receivables	12402	13424
	Cash & Cash Equivalents	498	2884
	Bank balances other than Cash & Cash Equivalents	20079	21794
	Other Financial Assets	434	445
	(c) Current Tax Assets (net)	933	890
	(d) Other Current Assets	3543	3973
	Sub total	47549	55012
3	Non Current Assets held for sale	296	296
	TOTAL ASSETS	52588	60503
B	EQUITY & LIABILITIES		
1	Equity		
	(a) Equity share capital	35560	35560
	(b) Other equity	(225350)	(210763)
	Equity attributable to Equity holders of the parent	(189790)	(175203)
	(c) Non Controlling Interests	-	-
	Total equity	(189790)	(175203)
2	Non-current liabilities		
	(a) Financial Liabilities		
	Non Current Financial Liability	10,028	10050
	(b) Other Current Liabilities	-	-
	(c) Provisions		
	Employee Benefits	3554	3578
	(d) Deferred tax liability (net)	(2)	-
	Sub total	13580	13628
2	Current liabilities		
	(a) Financial Liabilities		
	Borrowings	102917	102937
	Trade Payables		
	Total outstanding dues to Micro, Small & Medium Enterprises	888	670
	Total outstanding dues of creditors other than Micro, Small & Medium Enterprises	7667	9615
	(b) Other Financial Liabilities	63073	56831
	(c) Other current liabilities	51920	49079
	(d) Provisions		
	Employee Benefits	1901	2457
	Others	397	370
	(e) Current Tax Liabilities (net)	35	119
	Sub total	228798	222078
	TOTAL LIABILITIES	242378	235706
	TOTAL EQUITY & LIABILITIES	52588	60503

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HMT LIMITED
No.59, Bellary Road, Bangalore - 560 032
STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2025
CIN: L29230KA1953GOI000748

(Rs in lakhs)

CONSOLIDATED CASH FLOW STATEMENT

Sl.	Particulars	Year ended	
		31-3-2025 Audited*	31-3-2024 Audited
A	Operating activities		
	Profit/(loss) before tax from continuing operations	(14007)	(13302)
	Profit/(loss) before tax from discontinued operations	-	353070
	Profit before tax	(14007)	339768
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and impairment of PPE, Investment Properties and Intangible Assets	746	828
	Profit on disposal of property, plant and equipment and Non Current Assets Held for Sale (net)	(17)	(23)
	GOI Liabilities waived off	-	(269379)
	Grant received from GOI	-	(83747)
	Finance income (including fair value change in financial instruments)	(1592)	(1536)
	Finance cost (including fair value change in financial instruments)	6967	6806
	Share of (Profit)/Loss of an associate and a Joint venture	1	1
	Working capital adjustments:		
	Movements in provisions	(344)	1210
	(Increase)/Decrease in trade and other receivables and prepayments	1174	5540
	(Increase)/Decrease in inventories	1771	5
	Increase/(Decrease) in trade and other payables	1089	565
		(4212)	38
	Income tax (paid)/reversed	(429)	(84715)
	Net cash flows from operating activities	(4641)	(84677)
B	Investing activities		
	Proceeds from sale of property, plant and equipment and Non Current Assets held for sale	17	23
	Purchase of property, plant and equipment	(221)	(382)
	Deposits with Banks	1612	(5878)
	Interest received	1592	1473
	Net cash flows used in investing activities	3000	(4764)
C	Financing activities		
	Interest Paid	(725)	(598)
	Grant received from GOI	-	83747
	Repayment of borrowings (net)	(20)	(378)
	Net cash flows from/(used in) financing activities	(745)	82771
	Net increase in cash and cash equivalents	(2386)	(6670)
	Opening balance of Cash and cash equivalents	2884	9554
	Closing balance of Cash and cash equivalents	498	2884

Note for Consolidated Financial Results:

- The above statement of audited consolidated financial results of HMT Limited, which have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI") were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 23-July-2025.
- The figures for the fourth quarter (ending March 31, 2025) are the derived balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year. Also, the figures up to the end of the third quarter were only reviewed by an independent Chartered Accountant and not subjected to audit.
- The Statutory Auditors have carried out an audit of the above results for the year ended March 31, 2025 and have issued a modified opinion on the same. A statement showing the impact of audit qualifications is being filed separately.
- As per the CCEA Approval, the operations of the Subsidiary Company i.e. HMT Watches Ltd operations have been discontinued. Accordingly, the transactions have been considered as Discontinued Operations in accordance with IND AS 105.
- Networth of the HMT Group has been completely eroded. Considering the realisable value of the non-current assets held for sale, support from Government of India and other business plans, the Company has prepared its financial statements on going concern basis and accordingly, no adjustments are considered necessary to the carrying value of its assets and liabilities.
- The figures for the fourth quarter (ending March 31, 2025) are the derived balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year. Also, the figures up to the end of the third quarter were only reviewed by an independent Chartered Accountant and not subjected to audit.
- Figures of previous period / year's have been regrouped wherever necessary to conform with current period/ year's figures.

* Subject to C&AG Review

By order of the Board of Directors

Rajesh Kohli
(Rajesh Kohli)
Chairman and Managing Director
(Addl. Charge)



Place: Bangalore
 Date: July 23, 2025

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HMT LIMITED

No. 59, Bellary Road, Bangalore 560032

EXTRACT OF THE CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2025

CIN: L29230KA1953GOI000748

(Rs. In Lakhs)

	Particulars	Three months ended			Year ended	
		31-03-2025 Audited*	31-12-2024 Unaudited	31-03-2024 Audited	31-03-2025 Audited*	31-03-2024 Audited
1	Total income from Continuing Operations	6504	4051	7168	20471	21709
2	Net profit/ (loss) for the period (before tax, exceptional items)	(5911)	(2492)	(4252)	(14006)	(13301)
3	Net profit/ (loss) for the period before tax (after exceptional items)	(3276)	(5128)	(4253)	(14007)	(13302)
4	Net profit/ (loss) for the period after tax (after exceptional items)	(3575)	(5128)	(3959)	(14306)	(13008)
5	Net Profit/(Loss) from Discontinued Operations	0	0	268069	0	268084
6	Total Comprehensive Income for the period (comprising profit for the period and other comprehensive income(net of tax))	(3882)	(5119)	264100	(14587)	255110
7	Profit/(Loss) for the year attributable to :					
	Equity holder of the parent	(3575)	(5128)	264110	(14306)	255076
	Non-Controlling Interest	-	-	-	-	-
8	Other Comprehensive Income attributable to:					
	Equity holder of the parent	(307)	9	(10)	(281)	34
	Non-Controlling Interest	-	-	-	-	-
9	Total Other Comprehensive income for the year attributable to :					
	Equity holder of the parent	(3882)	(5119)	264100	(14587)	255110
	Non-Controlling Interest	-	-	-	-	-
10	Paid up Equity Share Capital (face value of Rs.10/- each)	35560	35560	35560	35560	35560
11	Other Equity	-	-	-	(225350)	(210763)
12	Earnings Per Share from continuing operations (face value of Rs.10/- each)					
	Basic :	(1.01)	(1.44)	(1.11)	(4.02)	(3.66)
	Diluted :	(1.01)	(1.44)	(1.11)	(4.02)	(3.66)
	(face value of Rs.10/- each)					
	Basic :	0.00	0.00	75.39	0.00	75.39
	Diluted :	0.00	0.00	75.39	0.00	75.39

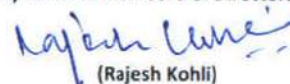
Note:

1. The above is an extract of the detailed format of Quarterly and yearly Financial Results filed with the Stock Exchanges under regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly and Yearly Financial Results are available on the websites of Stock Exchange of www.nseindia.com and www.bseindia.com and on the Company's website www.hmtindia.com

2. Figures of previous year have been regrouped wherever necessary.

* Subject to C&AG Review

By order of the Board of Directors



(Rajesh Kohli)

Chairman and Managing Director
(Addl. Charge)Place: Bangalore
Date: July 23, 2025


INDEPENDENT AUDITOR'S REPORT ON AUDIT OF THE STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HMT LIMITED

Qualified Opinion

We have audited the accompanying Statement of Standalone Financial Results of HMT LIMITED (the "Company"), for the quarter and year ended March 31, 2025 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the statement:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and year then ended March 31, 2025.

Basis for Qualified Opinion

- 1) We draw attention to the audit report of Food Processing Machinery Unit, Aurangabad audited by M/S R. K. MULEY & CO., Chartered Accountants, which includes a qualification relating to inventory valuation. As stated in Note 2(ii)(j) of the Significant Accounting Policies, inventories of raw materials, stores, and spares are valued using the Weighted Average Cost method. However, the branch auditor was unable to verify the accuracy of rates and costs due to inadequate audit evidence. Consequently, we are unable to determine whether there is any material misstatement in the inventory valuation and its consequential impact, if any, on the financial statements.
- 2) At the Auxiliary Business Company, Bengaluru, the Company has valued inventories based on the Chartered Valuer's report without adequate supporting evidence for the rates used. This approach is inconsistent with the stated accounting policy of valuing raw materials, stores, and spares using the Weighted Average Cost method. In the absence of sufficient audit evidence and deviation from the stated policy, we are unable to determine whether adjustments, if any, are required to the reported inventory values.
- 3) At the Auxiliary Business Company, Bengaluru, the Company has recognised rental income of Rs.845 lakhs and incurred maintenance expenses of Rs.714 lakhs in respect of buildings that belong to a subsidiary under the previously implemented scheme of demerger/ subsidiarisation. These buildings are not reflected in the books of the Company as assets, though rental income is recognised. This arrangement is not supported by a formal, legally enforceable agreement to clearly establish the terms of use, rights, and obligations between the Company and the subsidiary.
- 4) The Auxiliary Business Company, Bengaluru is still in the process of reconciling the input tax credit under the Goods & Services Tax for the current as well as the past periods, as accounted in the books of accounts with the GST portal. Adjustment entries and reversal of ineligible input tax credit may be required upon completion of such reconciliation. In the absence of such reconciliation, we are unable to comment on the impact of the same on the result or financial position of the Company.
- 5) Ind AS 109 requires the application of an expected credit loss (ECL) model for measuring and recognising impairment of financial assets. However, based on the information and explanations provided, no ECL matrix was prepared during the audit period to determine the loss allowance. Consequently, we are unable to assess the potential impact, if any, on the Standalone Ind AS financial statements.

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- 6) No allowance for expected credit losses have been made in respect of a outstanding receivable from a subsidiary HMT Machine Tools Limited, which in our opinion has significant credit risk in view of the subsidiary's continued losses and negative net worth. The non creation of the loss allowance results in overstatement of the assets and understatement of profit for the year to the extent of such loss, which is unascertained.
- 7) The Company has not obtained external confirmations for trade receivables, trade payables, other current liabilities, and other current assets. In the absence of such confirmations and alternative audit procedures, we were unable to obtain sufficient appropriate audit evidence regarding the accuracy, completeness, and existence of these balances. Accordingly, we are unable to determine whether any adjustments are required in respect of these items. The Company

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the quarter and year ended March 31, 2025 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to the following matters under various notes (referred against each item) of the financial statements. Our opinion is not modified in respect of these matters.

1. We draw you attention to Note No. 49 of Standalone Ind AS financial statements for the financial year ended 31st March, 2025 wherein HMT Limited has invested Rs.15 lakh (50% of equity shares) comprising 1,50,000 equity shares of Rs.10 each fully paid up in Sudmo HMT Process Engineers (India) Ltd., Bengaluru (M/s. Sudmo - HMT). M/s. Sudmo-HMT has no operations. The Board of HMT Ltd has approved (February 2020) for closure of the defunct joint venture company (M/s. Sudmo- HMT) and submitted the closure proposal to Ministry of Heavy Industries, Government of India (July 2021) for approval.
2. We draw you attention to Note No. 50 of Standalone Ind AS financial statements for the financial year ended 31st March, 2025 wherein HMT Limited has invested Rs.20.84 lakh (39.86% of equity shares) comprising 20,84,050 equity shares of Rs.1 each fully paid up in Gujarat State Machine Tools Corporation Ltd., Bhavanagar (M/s. GSMTC). The Board of HMT Ltd gave (March 2021) in principle approval for liquidation of M/s. GSMTC and issued the consent letter to Gujarat Industrial Investment Corporation Limited (GIIC). GIIC approved (September 2021) liquidation of M/s. GSMTC subject to approval from Government of Gujarat, Industries & Mines Department. HMT Ltd is awaiting approval from Ministry of Heavy Industries, Government of India to initiate liquidation under the Insolvency & Bankruptcy Code, 2016.
3. We draw you attention to Note No. 51 of Standalone Ind AS financial statements for the financial year ended 31st March, 2025 wherein HMT Limited has invested 30,00,000 equity shares of 1 Naira each fully paid up in Nigeria Machine Tools Limited, Nigeria (M/s. NMTL). The Board of HMT Ltd gave (February 2020) approval for divestment of stake in M/s. NMTL and awaiting approval from Ministry of Heavy Industries, Government of India.
4. We draw your attention to Note No. 3C Additional information (d) & (e) and 34 (ii) of Standalone Ind AS financial statements for the financial year ended 31st March, 2025 relating to transfer of land to Raman Research Institute(transferee) for Rs.926.64 Lakhs and Government of Uttarakhand(transferee) for



Rs.7202.10 Lakhs wherein the Company (transferor) has received entire sale consideration and has given the part-possession of the land and the registration of sale is pending due to procedural issues.

5. We draw attention to foot note No.2 of Note 3B of the financial statements, which states that the Company has not obtained a valuation of fair value of investment properties from a qualified valuer and disclosed only the guidance value of such investment properties of the Company.
6. We draw attention to Note No.35(i) of the standalone financial statements that describes the non-redemption of preference share capital of Rs.3686 lakhs.
7. We draw attention to Note No.58 of the financial statements relating to non-renewal of expired lease agreements.

Management's Responsibilities for the Standalone Financial Results

This Statement, which includes the Standalone financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited Interim condensed standalone financial statements for the three months and year ended March 31, 2025. This responsibility includes preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2025 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors is responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting

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- a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
 - Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
 - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. The financial statements of the Company for the year ended March 31, 2024, were audited by another auditor who expressed a modified opinion (revised) on those statements on 20 September 2024. The qualifications made and their impact on the current period's financial statements, for unresolved matters, are appropriately considered in this report.
2. We did not audit the financial statements/information of Food Processing Machinery Unit, Aurangabad included in these Standalone Ind AS financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 1555.94 lakhs as at March 31, 2025 and total revenues of Rs. 1179.99 lakhs for the year ended on that date. The financial statements/ information of the branch has been audited by the branch auditor M/s R.K. Muley & Co, Chartered Accountants, Aurangabad whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this unit, are based solely on the report of such branch auditor. The branch auditors have reported certain discrepancies under the "Other Matters" section of their



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report, rather than including them as the basis for a qualified opinion. As these observations pertain specifically to the branch, have not been classified as qualifications by the branch auditor, and are not considered material to the standalone financial statements of the Company, they have not been addressed in this report.

3. The standalone financial results include the results for the quarter ended March 31, 2025, being the derived balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were reviewed by a Chartered Accountant.

Our opinion is not modified in respect of these matters.

Place: Bangalore

Date: 23-7-2025

UDIN: 25208063B MN 2 MM 7414

For GRSM & ASSOCIATES

Chartered Accountants

[FRN: 000863S]



A handwritten signature in blue ink, appearing to read "Hegde".

GOPALKRISHNA HEGDE

Partner

M.No.208063

INDEPENDENT AUDITORS' REPORT ON AUDIT OF CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HMT LIMITED

Qualified Opinion

We have audited the accompanying Statement of Consolidated Financial Results of HMT LIMITED (the "Company") its subsidiaries and a joint venture (the Company, its subsidiaries and joint venture together referred to as the "Group"), for the quarter and year ended March 31, 2025 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the Statement:

- (i) includes the results of the following subsidiaries and joint ventures:
 - a. HMT Machine Tools Limited
 - b. HMT International Limited
 - c. HMT Watches Limited
 - d. SUDMO-HMT Process Engineers (India) Limited
- (ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2025.

Basis for Qualified Opinion

Introduction: In forming our qualified opinion on the consolidated financial statements, we have taken into consideration the qualifications and other observations contained in the audit reports of the components included in the Group. While doing so, we have exercised professional judgment to present the matters in a manner relevant to the consolidated financial position and results. Accordingly, items that are common and already covered under group-level qualifications have not been repeated, matters not considered material at the group level have been excluded, and those that were found not to be significant or not in the nature of qualifications have been disregarded. The description below includes only those matters which, in our view, are material and relevant to the consolidated financial statements and form the basis for our qualified opinion.

Common Qualifications (Group-Level Issues):

I. Non-Compliance with Ind AS 109 – Expected Credit Loss Model:

Ind AS 109 requires the application of an Expected Credit Loss (ECL) model for the recognition and measurement of impairment on financial assets. However, based on the information and explanations provided to us, the Group has not prepared an ECL matrix or carried out any impairment assessment under this model during the audit period. Consequently, we were unable to assess the adequacy of any loss allowance that may be required.



2. Lack of External Confirmations for Party Balances:

The Group has not obtained external confirmations in respect of trade receivables, trade payables, other current assets, and other current liabilities. In the absence of such confirmations and alternative audit procedures, we were unable to obtain sufficient appropriate audit evidence to verify the existence, completeness, and accuracy of these balances. Accordingly, we are unable to determine whether any adjustments may be necessary in respect of these items.

3. Non-Compliance with Ind AS 2 – Valuation of Inventories:

At several locations, inventories have not been valued strictly in accordance with the Group's stated accounting policy, which is required to be in compliance with Ind AS 2 and also inadequate physical verifications. Due to the absence of reliable alternative procedures, we are unable to ascertain the extent of any potential misstatement in the value of inventories and its consequent impact on the financial statements.

4. Unreconciled Input Tax Credit under GST Law:

Most units of the Group are in the process of reconciling the input tax credit as recorded in the books with the balances available on the GST portal, for both the current and prior periods. The reconciliation process is incomplete as at the reporting date, and adjustment entries for reversals or corrections, if any, have not yet been accounted for. In the absence of a completed reconciliation, we are unable to assess the impact of any potential overstatement of input tax credit or its implications on the Group's financial position and results.

Specific Qualifications (Component-Level Issues)

5. Audit of HMT Machine Tools Limited ("MTL")

a) Delay in remitting the Statutory Dues: At several units of this subsidiary, there have been a general delay in remitting the statutory dues including PF, Gratuity, GST and TDS/TCS etc. While such delays may attract interest and penalties, no provision has been made in the financial statements on this account, and the potential impact has not been quantified. In the absence of such quantification, we are unable to determine whether any adjustments are required in this regard.

b) Loss sustained by PF Trust: The Company is obligated to compensate the loss sustained by the PF Trusts at its various units. However, in view of the non-completion of the accounting/ financial position of the PF Trusts for the year ended 31-3-2025, provision has been made on a provisional basis. If the actual loss varies, it will impact the results of the Company for the year. Accordingly, we are unable to determine whether any adjustments may be necessary in respect of these items.

6. Audit of HMT Machine Tools Limited ("MTL") - MTA, Ajmer

a) The Unit has defaulted in the settlement/payment of gratuity amounting to Rs. 299.34 lakhs in respect of employees who retired or separated from service. Additionally, no provision has been made towards interest for delayed payment of gratuity, which is not in compliance with the requirements of Ind AS 19 – Employee Benefits.

b) The Unit has not reversed the GST input tax credit in respect of supplies and services for which payment has been outstanding for more than 180 days as of March 31, 2025, amounting to Rs. 14.70 lakhs. This is not in accordance with the provisions of the GST law, and consequently, the input tax credit receivable and liabilities are overstated to that extent.

c) The Unit auditor has brought out under Emphasis of Matter paragraph that in case of certain MSME vendors, though there was a delay in payment to the vendors, mandatory interest was not paid.

7. Audit of HMT Machine Tools Limited ("MTL") - MTK - Kalamassery

a) The Unit has disclosed a claim recoverable of Rs. 199.92 lakhs as at March 31, 2025, which has remained outstanding for several years with no movement during the year. No supporting documentation, external confirmations, or correspondence was provided to substantiate the validity or recoverability of the amount. Further, no assessment has been made in accordance with the requirements of Ind AS 109 – Financial Instruments to determine any impairment loss, if applicable.

b) The Unit has provided certain infrastructure facilities—such as electricity, water, and land—to an external party operating a hotel business. However, no rental income has been recognised in respect of the use of such facilities. Moreover, the electricity and water charges incurred by the hotel have been paid by the Company and incorrectly classified under "Employee Benefit Expenses" in the financial statements. In our opinion, the non-recognition of income and the misclassification of expenditure is not in compliance with the applicable financial reporting framework. Due to the absence of adequate records, we are unable to quantify the financial impact of this matter.

c) As per the audit report of the Unit, the electricity bill issued by the Kerala State Electricity Board (KSEB) reflects an outstanding payable of Rs.895.32 lakhs as at March 31, 2025. However, the Company has recognised only Rs.568.02 lakhs towards this liability in its books. The balance amount of Rs.327.30 lakhs has neither been acknowledged nor provided for, and no formal dispute or legal action has been initiated by the Company against the demand. In the absence of any documentation to support that the liability is disputed, we are of the view that the unrecorded amount ought to have been recognised as a provision in accordance with the applicable financial reporting framework.

d) As per the audit report of the Unit, a demand for municipal tax arrears of Rs.99.65 lakhs was received and provision has been made only for Rs.51.83 lakhs. The balance of Rs.47.81 lakhs has not been provided for, but only disclosed as a contingent liability.

8. Audit of HMT Machine Tools Limited ("MTL") - MTH, Hyderabad

a) The Unit/Division has not complied with the Ind AS40-Investment property under which the Unit/Division must disclose the property from which it is earning the rental income.

9. Audit of HMT Machine Tools Limited ("MTL") - MBX, Bangalore

The auditor of the branch/ unit of this subsidiary has issued a *disclaimer of opinion* on account of significant limitations in audit evidence based on various matters, and we include only the relevant aspects based on the explanation under the initial *introduction* paragraph.

a) Based on the information and explanations provided, raw materials (including consumables) have been valued at cost as per the ERP records; however, the basis of such cost has not been explained. The valuation of work-in-progress, finished goods, and goods in transit has been carried out using job cards and estimated costs, including overheads. In the absence of supporting documentation, the accuracy of inventory quantities and valuation could not be verified. The use of estimated cost for inventory valuation is not in compliance with Ind AS 2 – Inventories, which requires valuation at cost or net realisable value, whichever is lower, and is also inconsistent with the stated accounting policy



2(j). The unit auditor has pointed out his inability to verify the scrap records, the physical verification of inventories and provision for non-moving inventories.

b) Physical verification of Property, Plant and Equipment, due during FY 2024-25 as per management's stated triennial policy, was not conducted. The policy itself was also not made available. In its absence, we are unable to comment on the physical existence of these assets or determine any potential impact on the financial statements.

c) The Unit has not provided the basis for identifying MSME vendors or the supporting Udhyam registration details. Further, interest on delayed payments relating to prior periods has not been provided. In the absence of this information, we are unable to verify the accuracy of MSME disclosures or quantify the impact of any unprovided interest.

d) The Unit has not recognised any provision towards liquidated damages that may arise due to delays in supply of goods under certain customer contracts, where delivery timelines form part of enforceable terms. In the absence of an evaluation by management and relevant documentation, we are unable to assess whether any provision is required in accordance with 'Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets'.

e) Certain errors, or incorrect provisioning of expenses in earlier periods, have been rectified by reversing the amounts as other income in the current year – (i) Rs. 110 lakhs out of the advance written back (ii) Rs.310.49 lakhs towards gratuity (primarily relating to duplication) (iii) Rs.3.09 lakhs towards warranty (iv) Rs.10 lakhs paid towards interest on Gratuity and (v) Interest of ₹15.11 lakhs. This treatment is not in compliance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, which requires such prior period errors to be adjusted retrospectively against the respective prior period figures.

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to the fact that certain component auditors have included Emphasis of Matter paragraphs in their respective audit reports. The matters referred to therein are either already considered in the Basis for Qualified Opinion section of our report, or are not relevant or material at the consolidated level, or no corresponding disclosures have been made in the Consolidated Financial Statements. Accordingly, these matters have not been reproduced as Emphasis of Matter in our report.

We draw attention to foot note (a) of Note No.3A, where in it is stated that the group has not carried out impairment assessment of its assets during the year in view of the fact that the same was carried out just the last year. Our opinion is not modified in respect of this matter.



We draw attention to Note No.49 of the consolidated financial statements, which states that the Group has disclosed segment information as required under 'IND AS 108-Operating Segments'. However, the financial statements do not include a formal accounting policy outlining the basis of identification and measurement of segments. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results

This Statement which includes Consolidated financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the audited interim condensed consolidated financial statements for the three months and year ended March 31, 2025. This responsibility includes preparation and presentation of the Consolidated Financial Results that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Results.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and



other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. The consolidated financial statements of the Company for the year ended March 31, 2024, were audited by another auditor who expressed a modified opinion (revised) on those statements on 20 September 2024. The qualifications made and their impact on the current period's financial statements, for unresolved matters, are appropriately considered in this report.
2. We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs. 32,430.88 lakhs as at 31st March 2025, total revenues of Rs. 17,566.61 lakhs and net cash flows amounting to Rs. -1,629.29 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of 0.50 lakhs for the year ended 31st March, 2025, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements/ financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures and our report in terms of sub – sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of the other auditors. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements.
3. The holding company has not received financial statements of two associates viz., "Gujarat Machine Tools Limited" and "Nigeria Machine Tools Limited" for the year ended March 31, 2025, and the same have not been considered for the purpose of preparation of these Consolidated Ind AS financial statements.

Our opinion on the consolidated financial results is not modified in respect of the above matters.

Place: Bangalore

Date: 23-7-2025

UDIN: 25208063 BMNZMM3636

For GRSM & ASSOCIATES

Chartered Accountants

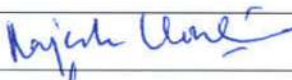
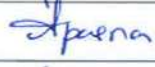


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Gopal KRISHNA HEGDE
M.No.208063

**HMT LIMITED
(STANDALONE)**

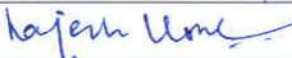
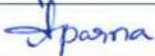


Statement of Impact of Audit qualification (for Audit Report with modified opinion) submitted Along-with Annual Financial Results - (Standalone and Consolidated separately)

Statement of Impact of Audit Qualifications for the Financial Year ended March 31, 2025 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	Sl.No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/ Total income (Rs. in Lakhs)	8,515.06	8,515.06
	2.	Total Expenditure (Rs. in Lakhs)	6620.91	6620.91
	3.	Net Profit / (Loss) (Rs. in Lakhs)	1614.76	1614.76
	4.	Earnings Per Share (in Rs.)	0.45	0.45
	5.	Total Assets (Rs. in Lakhs)	134546.84	134546.84
	6.	Total Liabilities(Rs. in Lakhs)	87054.13	87054.13
	7.	Net Worth (Rs. in Lakhs)	47492.71	47492.71
	8.	Any other financial item (s) (as felt appropriate by the Management)	Nil	Nil
II	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: As per Enclosure		
	b.	Type of Audit Qualification: Qualified Opinion		
	c.	Frequency of Qualification: As per Enclosure		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Nil		
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:		
		(i) Management's estimation on the impact of Audit Qualification: Nil		
		(ii) If Management is unable to estimate the impact, reasons for the same: As per enclosure		
		(iii) Auditors Comments on (i) or (ii) above:		
	Signatories :			
	• CEO/Managing Director			
	• CFO			
	• Audit Committee Chairman			
	• Statutory Auditor			
	Place : Valsad / Bangalore			
	Date : 23.07.2025			



**HMT LIMITED
(CONSOLIDATED)**

Statement of Impact of Audit qualification (for Audit Report with modified opinion) submitted Along-with Annual Financial Results - (Standalone and Consolidated separately)

Statement of Impact of Audit Qualifications for the Financial Year ended March 31, 2025				
[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	Sl.No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/ Total income (Rs. in Lakhs)	20,470.56	20,470.56
	2.	Total Expenditure (Rs. in Lakhs)	34,476.65	34,476.65
	3.	Net Profit / (Loss) (Rs. in Lakhs)	(14,586.88)	(14,586.88)
	4.	Earnings Per Share (in Rs.)	(4.02)	(4.02)
	5.	Total Assets (Rs. in Lakhs)	52,587.84	52,587.84
	6.	Total Liabilities(Rs. in Lakhs)	2,42,377.65	2,42,377.65
	7.	Net Worth (Rs. in Lakhs)	(1,89,789.81)	(1,89,789.81)
	8.	Any other financial item (s) (as felt appropriate by the Management)	Nil	Nil
II	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification: As per Enclosure		
	b.	Type of Audit Qualification: Qualified Opinion		
	c.	Frequency of Qualification: As per Enclosure		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Nil		
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:		
		(i) Management's estimation on the impact of Audit Qualification: Nil		
		(ii) If Management is unable to estimate the impact, reasons for the same: As per enclosure		
		(iii) Auditors Comments on (i) or (ii) above:		
III	Signatories :			
	• CEO/Managing Director			
	• CFO			
	• Audit Committee Chairman			
	• Statutory Auditor			
	Place : Valsad / Bangalore			
	Date : 23.07.2025			



QUALIFIED OPINION OF STATUTORY AUDITOR AND MANAGEMENT REPLIES

STANDALONE FINANCIAL STATEMENTS – 2024-25

HMT LIMITED (“HMTL”)

Audit Observations	Management Reply	Frequency of Qualification
<p>1. We draw attention to the audit report of Food Processing Machinery Unit, Aurangabad audited by M/S R. K. MULEY & CO., Chartered Accountants, which includes a qualification relating to inventory valuation. As stated in Note 2(ii)(j) of the Significant Accounting Policies, inventories of raw materials, stores, and spares are valued using the Weighted Average Cost method. However, the branch auditor was unable to verify the accuracy of rates and costs due to inadequate audit evidence. Consequently, we are unable to determine whether there is any material misstatement in the inventory valuation and its consequential impact, if any, on the financial statements.</p>	<p>The inventory is valued using the weighted average cost method except in the case of consumables comprising of low value items which are valued on an estimated basis. Accounting Software is going to be installed in the store department. However, there is no material impact in the valuation of inventories.</p>	<p>Repeated</p>
<p>2. At the Auxiliary Business Company, Bengaluru, the Company has valued inventories based on the Chartered Valuer’s report without adequate supporting evidence for the rates used. This approach is inconsistent with the stated accounting policy of valuing raw materials, stores, and spares using the Weighted Average Cost method. In the absence of sufficient audit evidence and deviation from the stated policy, we are unable to determine whether adjustments, if any, are required to the reported inventory values.</p>	<p>The unit has received Materials from the HMT Watches Ltd, Subsidiary during the year 2016 after closure declaration of the Subsidiary by Government of India. These inventories are segregated and utilize the good inventories for making watches. The remaining inventories which are not usable condition and some of the items required further processing were valued at lower of NRV/Fair Realizable value.</p> <p>In respect of inventory which has been purchased during the last three years, cost of procured value is considered. The watches assembled during the year 2024-25 by utilizing the purchased components. For this category the basic material cost and processing cost of converting to watches are considered.</p>	<p>Repeated</p>

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<p>3. At the Auxiliary Business Company, Bengaluru, the Company has recognized rental income of Rs.845 lakhs and incurred maintenance expenses of Rs.714 lakhs in respect of buildings that belong to a subsidiary under the previously implemented scheme of demerger/subsidiarization. These buildings are not reflected in the books of the Company as assets, though rental income is recognized. This arrangement is not supported by a formal, legally enforceable agreement to clearly establish the terms of use, rights, and obligations between the Company and the subsidiary.</p>	<p>The unit was formed to look after the Estate maintenance of the Bangalore based units. Consequently, due to an increase in the maintenance cost of the estate, the unit starts generating income. Post subsidization (from 2000) of the Company, the Land and buildings have been transferred to M/s. HMT Machine Tools Limited, in line with the Scheme of Arrangement. Hence the land and buildings are not recorded in the books of accounts of the unit. However, the mutation of Title Deeds is yet to be done in the name of HMT Machine Tools Limited, in the revenue records to this effect. Fresh Lease deeds in respect of Land are pending for the execution.</p> <p>Since the ABD is looking after estate and employees of Bangalore based offices including HMT Machine Tools Division, Bangalore, the rental income recorded in the unit books and also incurring expenses etc. towards maintaining the estate.</p>	<p>Repeated</p>
<p>4. The Auxiliary Business Company, Bengaluru, is still in the process of reconciling the input tax credit under the Goods & Services Tax for the current as well as the past periods, as accounted in the books of accounts with the GST portal. Adjustment entries and reversal of ineligible input tax credit may be required upon completion of such reconciliation. In the absence of such reconciliation, we are unable to comment on the impact of the same on the result or financial position of the Company.</p>	<p>Noted, the reconciliations with GSTR 2B will be completed before filing 9 & 9 C Forms and necessary adjustment entries if any, will be made as required.</p>	<p>Repeated</p>
<p>5. Ind AS 109 requires the application of an expected credit loss (ECL) model for measuring and recognizing impairment of financial assets. However, based on the information and explanations provided, no ECL matrix was prepared during the audit period to determine the loss allowance. Consequently, we are unable to assess the potential impact, if any, on Standalone Ind AS financial statements.</p>	<p>The provisions are recognised as per best judgement of the management based on the current available information. Provisions made in the books are reviewed by the management on an ongoing basis.</p>	<p>Repeated</p>
<p>6. No allowance for expected credit losses have been made in respect of outstanding receivable from a subsidiary HMT Machine Tools Limited, which in our opinion has significant credit risk in view of the subsidiary's continued losses and negative net worth. The non creation of the loss allowance results in overstatement of the assets and understatement of profit for the year to the extent of such loss, which is unascertained.</p>	<p>HMT Machine Tools Limited is having huge land bank, and the market value of these lands is much higher than the long outstanding receivable from them, even considering the guidance value. The same will be recovered from the proceeds on sale of Land. As such there is no ECL.</p>	

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<p>7. The Company has not obtained external confirmations for trade receivables, trade payables, other current liabilities, and other current assets. In the absence of such confirmations and alternative audit procedures, we were unable to obtain sufficient appropriate audit evidence regarding the accuracy, completeness, and existence of these balances. Accordingly, we are unable to determine whether any adjustments are required in respect of these items</p>	<p>Letters were sent through e-mail and post to all parties requesting them to confirm the balance as on 31.03.2025. Reconciliations as per available records are carried out on an ongoing basis. Consequential adjustment and provision are made wherever required as per management assessment.</p>	<p>Repeated</p>
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QUALIFIED OPINION OF STATUTORY AUDITOR AND MANAGEMENT REPLIES
CONSOLIDATED FINANCIAL STATEMENTS – 2024-25

Audit Observations	Management Reply	Frequency of Qualification
<p>Common Qualifications (Group-Level Issues): 1. Non-Compliance with Ind AS 109 – Expected Credit Loss Model: Ind AS 109 requires the application of an Expected Credit Loss (ECL) model for the recognition and measurement of impairment on financial assets. However, based on the information and explanations provided to us, the Group has not prepared an ECL matrix or carried out any impairment assessment under this model during the audit period. Consequently, we were unable to assess the adequacy of any allowance loss that may be required.</p>	<p>The provisions are recognised as per best judgement of the management based on the current available information. Provisions made in the books are reviewed by the management on an ongoing basis.</p>	<p>Repeated</p>
<p>2. Lack of External Confirmations for Party Balances: The Group has not obtained external confirmations in respect of trade receivables, trade payables, other current assets, and other current liabilities. In the absence of such confirmations and alternative audit procedures, we were unable to obtain sufficient appropriate audit evidence to verify the existence, completeness, and accuracy of these balances. Accordingly, we are unable to determine whether any adjustments may be necessary in respect of these items.</p>	<p>Letters were sent through e mail and post to all parties requesting them to confirm the balance as on 31.03.2025. Reconciliations as per available records is carried out ongoing basis. Consequential adjustment and provision are made wherever required as per management assessment.</p>	<p>Repeated</p>
<p>3. Non-Compliance with Ind AS 2 – Valuation of Inventories: At several locations, inventories have not been valued strictly in accordance with the Group's stated accounting policy, which is required to be in compliance with Ind AS 2 and also inadequate physical verifications. Due to the absence of reliable alternative procedures, we are unable to ascertain the extent of any potential misstatement in the value of inventories and its consequent impact on the financial statements.</p>	<p>The inventory is valued using the weighted average cost method except in the case of consumables comprising of low value items which is valued on estimated basis. Accounting Software is going to be installed in the store department. However, there is no material impact in the valuation of inventories. Physical verification Stores items in respect of A and B are regularly done. However, physical verification of C class items are done at the end of the year.</p>	<p>Repeated</p>

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<p>4.Unreconciled Input Tax Credit under GST Law:</p> <p>Most units of the Group are in the process of reconciling the input tax credit as recorded in the books with the balances available on the GST portal, for both the current and prior periods. The reconciliation process is incomplete as at the reporting date, and adjustment entries for reversals or corrections, if any, have not yet been accounted for. In the absence of a completed reconciliation, we are unable to assess the impact of any potential overstatement of input tax credit or its implications on the Group's financial position and results.</p>	<p>Noted, the reconciliations with GSTR 2B will be completed before filing 9 & 9 C Forms and necessary adjustment entries if any will be made as required.</p>	<p>Repeated</p>
<p>5. Audit of HMT Machine Tools Limited ("MTL")</p> <p>a) Delay in remitting the Statutory Dues: At several units of this subsidiary, there have been a general delay in remitting the statutory dues including PF, Grauity, GST and TDS/TCS etc. While such delays may attract interest and penalties, no provision has been made in the financial statements on this account, and the potential impact has not been quantified. In the absence of such quantification, we are unable to determine whether any adjustments are required in this regard.</p>	<p>a) Noted, all efforts will be made to ensure statutory compliance. However, the Company is facing severe financial constraints due to lack of working capital. Interest and penalties are accounted for as and when the payment is made.</p>	<p>Repeated</p>
<p>b) Loss sustained by PF Trust: The Company is obligated to compensate the loss sustained by the PF Trusts at its various units. However, in view of the non-completion of the accounting/ financial position of the PF Trusts for the year ended 31-3-2025, provision has been made on a provisional basis. If the actual loss varies, it will impact the results of the Company for the year. Accordingly, we are unable to determine whether any adjustments may be necessary in respect of these items.</p>	<p>b) Noted, as the PF trust accounts for the FY 2024-25 are not finalized. The necessary provision has been considered on a provisional basis. The Company regularly accounts for the actual losses, if any, during the next financial year. All efforts will be made to finalize the PF Trust Accounts before the completion of the Company's accounts in future.</p>	<p>Repeated</p>
<p>6.Audit of HMT Machine Tools Limited ("MTL") - MTA, Ajmer</p> <p>a) The Unit has defaulted in the settlement/payment of gratuity amounting to Rs. 299.34 lakhs in respect of employees who retired or separated from service. Additionally, no provision has been made towards interest for delayed payment of gratuity, which is not in compliance with the requirements of Ind AS 19 – Employee Benefits.</p>	<p>a) Due to severe financial crunch, the unit is not in a position to make the gratuity payment at the time of retirement. Many employees are approaching ALC for the delayed Gratuity payment along with interest. Based on the ALC order, the company is making provision for interest for those employees.</p>	<p>Repeated</p>
<p>b) The Unit has not reversed the GST input tax credit in respect of supplies and services for which payment has been outstanding for more than 180 days as of March 31, 2025, amounting to Rs.14.70 lakhs. This is not in accordance with the provisions of the GST law, and consequently, the input tax credit receivable and liabilities are overstated to that extent.</p>	<p>b) Noted the observation and necessary ITC reversal will be carried out during the next financial year. Steps will be taken for not to repeat such deviations in future.</p>	<p>Repeated</p>

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<p>c) The Unit auditor has brought out under Emphasis of Matter paragraph that in case of certain MSME vendors, though there was a delay in payment to the vendors, mandatory interest was not paid.</p>	<p>c) Noted, Payment to Vendors is delayed due to severe financial constraints faced by the unit. Applicable interest on delayed payments will be made during the next financial year.</p>	<p>Repeated</p>
<p>7.Audit of HMT Machine Tools Limited (“MTL”) - MTK – Kalamassery</p> <p>a) The Unit has disclosed a claim recoverable of Rs. 199.92 lakhs as at March 31, 2025, which has remained outstanding for several years with no movement during the year. No supporting documentation, external confirmations, or correspondence was provided to substantiate the validity or recoverability of the amount. Further, no assessment has been made in accordance with the requirements of Ind AS 109 – Financial Instruments to determine any impairment loss, if applicable.</p>	<p>a) The observation is noted and will be reviewed during the next Financial Year.</p>	<p>Repeated</p>
<p>b) The Unit has provided certain infrastructure facilities—such as electricity, water, and land—to an external party operating a hotel business. However, no rental income has been recognized in respect of the use of such facilities. Moreover, the electricity and water charges incurred by the hotel have been paid by the Company and incorrectly classified under "Employee Benefit Expenses" in the financial statements. In our opinion, the non-recognition of income and the misclassification of expenditure is not in compliance with the applicable financial reporting framework. Due to the absence of adequate records, we are unable to quantify the financial impact of this matter.</p>	<p>b) The unit does not have a direct agreement with the individual operating the hotel business, instead, the arrangement was established through a clear understanding and agreement with the Agricultural Cooperative Society. Under this agreement, the society was responsible for collecting and remitting rent, electricity charges, and water charges to the unit. The Agricultural Cooperative Society has failed to fulfill its obligation. The unit has already initiated the formal procedure to seek full reimbursement of all outstanding rent, electricity and water charges directly from the individual operating the hotel.</p>	<p>First Time</p>
<p>c) As per the audit report of the Unit, the electricity bill issued by the Kerala State Electricity Board (KSEB) reflects an outstanding payable of Rs.895.32 lakhs as at March 31, 2025. However, the Company has recognized only Rs.568.02 lakhs towards this liability in its books. The balance amount of Rs.327.30 lakhs has neither been acknowledged nor provided for, and no formal dispute or legal action has been initiated by the Company against the demand. In the absence of any documentation to support that the liability is disputed, we are of the view that the unrecorded amount ought to have been recognized as a provision in accordance with the applicable financial reporting framework.</p>	<p>c) KSEB has added Rs. 327.30 lakhs in the bill for electricity charges during the month May-2024 without any proper justification and not yet provided the detailed bill/working of the said amount even after repeated reminders.</p> <p>The Unit raised objection on this unreasonable claim during the discussions with the Chairman, KSEB & the same will be verified and necessary rectification will be made by KSEB.</p>	<p>First Time</p>
<p>d) As per the audit report of the Unit, a demand for municipal tax arrears of Rs.99.65 lakhs was received and provision has been made only for Rs.51.83 lakhs. The balance of Rs.47.81 lakhs has not been provided for, but only disclosed as a contingent liability.</p>	<p>d) Noted, the same will be reviewed and necessary accounting treatment will be given during the next financial year.</p>	<p>First Time</p>

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<p>8.Audit of HMT Machine Tools Limited (“MTL”) - MTH, Hyderabad</p> <p>a) The Unit/Division has not complied with the Ind AS40-Investment property under which the Unit/Division must disclose the property from which it is earning the rental income</p>	<p>The Unit is letting out the Property on short term basis to meet its maintenance including major repair works of the property.</p>	<p>First Time</p>
<p>9.Audit of HMT Machine Tools Limited (“MTL”) - MBX, Bangalore</p> <p>The auditor of the branch/ unit of this subsidiary has issued a <i>disclaimer of opinion</i> on account of significant limitations in audit evidence based on various matters, and we include only the relevant aspects based on the explanation under the initial <i>introduction</i> paragraph.</p> <p>a) Based on the information and explanations provided, raw materials (including consumables) have been valued at cost as per the ERP records; however, the basis of such cost has not been explained. The valuation of work-in-progress, finished goods, and goods in transit has been carried out using job cards and estimated costs, including overheads. In the absence of supporting documentation, the accuracy of inventory quantities and valuation could not be verified. The use of estimated cost for inventory valuation is not in compliance with Ind AS 2 – Inventories, which requires valuation at cost or net realizable value, whichever is lower, and is also inconsistent with the stated accounting policy 2(j). The unit auditor has pointed out his inability to verify the scrap records, the physical verification of inventories and provision for non-moving inventories.</p>	<p>a) Noted, and necessary documents will be submitted the Auditors in future.</p>	<p>First Time</p>
<p>b) Physical verification of Property, Plant and Equipment, due during FY 2024–25 as per management's stated triennial policy, was not conducted. The policy itself was also not made available. In its absence, we are unable to comment on the physical existence of these assets or determine any potential impact on the financial statements</p>	<p>b) Physical Verification of Fixed Asset has been done in the FY 2021-22 and as per the company norms it is supposed to be done during the FY 2024-25. Due to shortage of manpower the physical verification of PPE could not be carried out. However, the physical verification will be carried out during FY 2025-26 .</p>	<p>First Time</p>
<p>c) The Unit has not provided the basis for identifying MSME vendors or the supporting Udhyam registration details. Further, interest on delayed payments relating to prior periods has not been provided. In the absence of this information, we are unable to verify the accuracy of MSME disclosures or quantify the impact of any unprovided interest</p>	<p>c) At the time vendor registration, the unit has collected the MSME certificate. Necessary action will be taken to insert the Udhyam registration details in the ERP. Payment to vendors is delayed due to severe financial constraints being faced by the unit, however the same will be provided during the next financial year.</p>	<p>First Time</p>
<p>d) The Unit has not recognized any provision towards liquidated damages that may arise due to delays in supply of goods under certain customer contracts, where delivery timelines form part of enforceable terms. In the absence of an evaluation by management and relevant documentation, we are unable to assess whether any provision is required in accordance with ‘Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets’.</p>	<p>d) Noted, the provision required if any will be provided during the next financial year.</p>	<p>First Time</p>

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<p>e) Certain errors, or incorrect provisioning of expenses in earlier periods, have been rectified by reversing the amounts as other income in the current year – (i) Rs. 110 lakhs out of the advance written back (ii) Rs.310.49 lakhs towards gratuity (primarily relating to duplication) (iii) Rs.3.09 lakhs towards warranty (iv) Rs.10 lakhs paid towards interest on Gratuity and (v) Interest of ₹15.11 lakhs. This treatment is not in compliance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, which requires such prior period errors to be adjusted retrospectively against the respective prior period figures.</p>	<p>e) As there are no dues payable and provisions are no longer required, the same has been written back to income.</p>	<p>First Time</p>
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