

Deloitte Haskins & Sells

Chartered Accountants
'Heritage', 3rd Floor
Near Gujarat Vidhyapith
Off Ashram Road
Ahmedabad - 380 014

Tel: +91 (079) 2758 2542
+91 (079) 2758 2543
Fax: +91 (079) 2758 2551

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF BHARAT GEARS LIMITED

We have reviewed the accompanying statement of Unaudited Financial Results of **BHARAT GEARS LIMITED** ("the Company") for the quarter and nine months ended December 31, 2011 ("the Statement"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Standard Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying statement of the unaudited financial results prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements from the details furnished by the Company's Management and the particulars relating to undisputed investor complaints from the details furnished by the Registrars.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No. 117365W)



Saira Nainar
Partner
(Membership No. 040081)

MUMBAI, February 7, 2012

BHARAT GEARS LIMITED

Registered Office : 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad - 121 003. (Haryana).
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2011

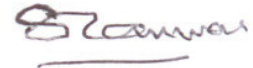
Sr.No.	Particulars	(Rs. in Lacs)					
		Quarter ended 31-Dec-11	Quarter ended 30-Sep-11	Quarter ended 31-Dec-10	Nine Months ended 31-Dec-11	Nine Months ended 31-Dec-10	Previous year ended 31-Mar-1
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	a) Gross Sales/ Income from operations Less: Excise Duty Net Sales/Income from operations	12,156 963 11,193	10,684 864 9,820	9,078 636 8,442	33,428 2,690 30,738	25,197 1,750 23,447	35,4 2,4 33,0
	b) Other Operating Income	313	263	147	748	366	4
2	Expenditure						
	(a) Increase(-)/decrease (+) in stock in trade and work in progress	(198)	(689)	(199)	(1,018)	(1,083)	(1,
	(b) Consumption of Raw Materials and Components	6,100	5,846	4,329	17,218	12,476	17,
	(c) Employees Cost	1,410	1,350	1,242	4,173	3,720	4,
	(d) Power and Fuel	823	804	600	2,388	1,805	2
	(e) Depreciation / Amortisation	280	259	229	794	675	
	(f) Other expenditure	1,970	1,837	1,604	5,554	4,584	6
	(g) Total	10,385	9,407	7,805	29,109	22,177	31
3	Profit from Operations before Other Income, Interest and Exceptional Items (1 - 2)	1,121	676	784	2,377	1,636	2
4	Other Income (Refer Note 3)	300	-	-	300	-	
5	Profit before Interest and Exceptional Items (3 + 4)	1,421	676	784	2,677	1,636	:
6	Interest (Including Other Financing Charges)	334	305	233	919	630	
7	Profit after Interest but before Exceptional Items (5 - 6)	1,087	371	551	1,758	1,006	
8	Exceptional Items	-	-	-	-	-	
9	Profit (+) / Loss (-) from Ordinary Activities before tax (7 + 8)	1,087	371	551	1,758	1,006	
10	Tax expense	267	123	186	495	340	
11	Net Profit (+) / Loss (-) from Ordinary Activities after tax (9 - 10)	820	248	365	1,263	666	
12	Extraordinary Items (net of tax expense)	-	-	-	-	-	
13	Net Profit (+) / Loss (-) (11 - 12)	820	248	365	1,263	666	
14	Paid up equity share capital (Face value Rs. 10/- per share)	782	782	782	782	782	
15	Reserves excluding Revaluation Reserves						
16	Earnings Per Share (EPS) (Rs.)						
	(a) Basic and Diluted EPS before Extraordinary items (* not annualised)	* 10.46	* 3.13	* 4.59	* 16.04	* 8.28	
	(b) Basic and Diluted EPS after Extraordinary items (* not annualised)	* 10.46	* 3.13	* 4.59	* 16.04	* 8.28	
17	Public shareholding						
	- Number of shares	3,854,330	3,854,330	3,854,330	3,854,330	3,854,330	3,
	- Percentage of shareholding	49.30%	49.30%	49.30%	49.30%	49.30%	
18	Promoters and promoter group shareholding						
	(a) Pledged/ Encumbered						
	- Number of shares	-	-	-	-	-	
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	
	(b) Non- encumbered						
	- Number of shares	3,963,503	3,963,503	3,963,503	3,963,503	3,963,503	:
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	
	- Percentage of shares (as a % of the total share capital of the company)	50.70%	50.70%	50.70%	50.70%	50.70%	

Sharma

Notes :

1. The above financial results as reviewed and recommended by the Audit Committee have been approved by the Board of Directors at its meeting held on February 7, 2012.
2. The auditors of the company have carried out limited review of the Un-Audited Financial Results for the quarter and nine months ended December 31, 2011.
3. Other income for the quarter and nine months ended December 31, 2011 represents profit on sale/transfer of leasehold rights in respect of part of Company's leasehold land
4. The Company is primarily engaged in the Automotive Gears business. As such there is no other separate reportable segment as defined by Accounting Standard - 17 "Segment Reporting".
5. There was no investor complaint pending as at the beginning of the quarter. No complaint was received during the quarter and no complaint was pending as at the quarter end, on the basis of the details provided by the Registrars.
6. Previous period's/year's figures have been regrouped wherever necessary, to conform to this period's/year's classification.

For and on behalf of the Board of Directors



SURINDER P. KANWAR
Chairman & Managing Director

Place : Mumba
Date: February 7, 2012