

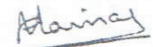
Deloitte Haskins & Sells

Chartered Accountants
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INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF BHARAT GEARS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **BHARAT GEARS LIMITED** ("the Company") for the Quarter Ended June 30, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, 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.
4. 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 with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended June 30, 2014 of the Statement, from the details furnished by the Management/Registrars.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)



Saira Nainar
Partner
(Membership No. 040081)

MUMBAI, August 1, 2014



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BHARAT GEARS LIMITED					
Registered Office : 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad - 121 003 (Haryana)					
Part I					
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014					
(₹ in lacs)					
	Particulars	Quarter ended			Previous Year ended
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
		(Unaudited)	(Audited) Refer Note 4	(Unaudited)	(Audited)
1	Income from operations				
	(a) Net sales/income from operations (net of excise duty)	9,720	10,312	9,383	41,310
	(b) Other operating income	151	198	140	677
	Total income from operations (net)	9,871	10,510	9,523	41,987
2	Expenses				
	(a) Cost of materials consumed	4,691	5,011	5,368	20,768
	(b) Changes in inventories of finished goods and work-in-progress	141	(6)	(649)	(565)
	(c) Employee benefits expense (Refer Note 6)	1,947	1,814	1,628	7,015
	(d) Power and fuel	971	980	934	4,030
	(e) Depreciation and amortisation expense (Refer Note 7)	374	395	298	1,372
	(f) Other expenses	1,888	2,209	1,900	8,187
	Total expenses	10,012	10,403	9,479	40,807
3	Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)	(141)	107	44	1,180
4	Other income (Refer Note 3)	36	3	204	329
5	Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)	(105)	110	248	1,509
6	Finance costs	395	412	283	1,449
7	Profit/(loss) from ordinary activities after finance costs but before exceptional items (5-6)	(500)	(302)	(35)	60
8	Exceptional items	-	-	-	-
9	Profit/(loss) from ordinary activities before tax (7-8)	(500)	(302)	(35)	60
10	Tax expense (net)	(6)	(151)	-	-
11	Net profit/(loss) from ordinary activities after tax (9-10)	(494)	(151)	(35)	60
12	Extraordinary items (net of tax expense)	-	-	-	-
13	Net profit/(loss) (11-12)	(494)	(151)	(35)	60
14	Paid-up equity share capital (Face value ₹ 10/- per share)	782	782	782	782
15	Reserves excluding revaluation reserve as per balance sheet of previous accounting year				6,355
16.i	Earnings per share (before extraordinary items) [of ₹ 10/- each (* not annualised)] Basic and diluted (₹)	* (6.32)	* (1.93)	* (0.45)	0.76
16.ii	Earnings per share (after extraordinary items) [of ₹ 10/- each (* not annualised)] Basic and diluted (₹)	* (6.32)	* (1.93)	* (0.45)	0.76

S. Sanyal

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Part II					
SELECT INFORMATION FOR THE QUARTER ENDED JUNE 30, 2014					
	Particulars	Quarter ended			Previous Year ended
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	3,676,095	3,676,095	3,676,330	3,676,095
	- Percentage of shareholding	47.02%	47.02%	47.02%	47.02%
2	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	4,141,738	4,141,738	4,141,503	4,141,738
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	52.98%	52.98%	52.98%	52.98%

	Particulars	Quarter ended 30.06.2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	Nil
	Received during the quarter	Nil
	Disposed of during the quarter	Nil
	Remaining unresolved at the end of the quarter	Nil

Notes :

- 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 August 1, 2014.
- The auditors of the Company have carried out limited review of the Unaudited Financial Results for the quarter ended June 30, 2014.
- Other income includes: (₹ in lacs)

Particulars	Quarter ended			Previous Year ended
	30.06.2014	31.03.2014	30.06.2013	31.03.2014
	(Unaudited)	(Audited) Refer Note 4	(Unaudited)	(Audited)
Net exchange gain/(loss)	24	(59)	155	199

- Figures for the quarter ended March 31, 2014 are the balancing figures between the audited financial figures in respect of the full financial year ended March 31, 2014 and published year to date unaudited figures upto December 31, 2013, being the end of the third quarter of the financial year ended March 31, 2014, which was subjected to limited review.
- The Company is primarily engaged in the Automotive Gears business and all other activities revolving around the same. Risks and rewards involved in sales to overseas customers are not significantly different from those attributable to domestic market. As such there is no other separate reportable segment as defined by Accounting Standard – 17 "Segment Reporting".

Sanwal

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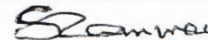
6. Employee benefits expense includes: (₹ in lacs)

Particulars	Quarter ended			Previous Year ended
	30.06.2014	31.03.2014	30.06.2013	31.03.2014
	(Unaudited)	(Audited) Refer Note 4	(Unaudited)	(Audited)
Voluntary retirement scheme expense	154	21	-	25

7. During the quarter, the Company has revised depreciation rate on certain fixed assets as per the useful life specified in the Companies Act, 2013. Based on current estimates, depreciation/amortisation of ₹ 73 lacs (net of deferred tax ₹ 35 lacs) on account of assets whose useful life is already exhausted as on April 1, 2014 has been adjusted to General Reserve. Had there not been any change in useful life of assets, depreciation/amortisation for the quarter would have been higher by ₹ 6 lacs.

8. Previous year/period's figures have been regrouped/recasted wherever necessary.

For and on behalf of the Board of Directors



SURINDER P. KANWAR
Chairman & Managing Director

Place: Faridabad
Date: August 1, 2014