

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

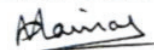
1. We have reviewed the accompanying Statement of Unaudited Financial Results of **BHARAT GEARS LIMITED** ("the Company") for the Quarter Ended June 30, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, 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 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, 2015 of the Statement, from the details furnished by the Management/Registrars.

CERTIFIED TRUE COPY

For Bharat Gears Limited

Prashant Khattry
Head (Legal) & Company Secretary

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



Saira Nainar
Partner
(Membership No. 040081)

Mumbai, July 31, 2015



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, 2015

(₹. in lacs)

	Particulars	Quarter ended			Previous
		30.06.2015	31.03.2015	30.06.2014	Year ended
		(Unaudited)	(Audited) Refer note 8	(Unaudited)	31.03.2015 (Audited)
1	Income from operations				
	(a) Net sales/income from operations (net of excise duty)	10,373	11,150	9,720	40,779
	(b) Other operating income (Refer Note 4)	369	187	151	710
	Total income from operations (net)	10,742	11,337	9,871	41,489
2	Expenses				
	(a) Cost of materials consumed	4,895	5,316	4,691	20,228
	(b) Changes in inventories of finished goods and work-in-progress	210	194	141	(562)
	(c) Employee benefits expense (Refer Note 5)	1,983	1,960	1,951	7,780
	(d) Power and fuel	771	835	971	3,689
	(e) Depreciation and amortisation expense (Refer Note 6)	415	209	374	1,395
	(f) Other expenses	1,906	2,308	1,884	8,176
	Total expenses	10,180	10,822	10,012	40,706
3	Profit from operations before other income, finance costs and exceptional items (1-2)	562	515	(141)	783
4	Other income (Refer Note 7)	90	31	36	209
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	652	546	(105)	992
6	Finance costs	442	444	395	1,635
7	Profit/(loss) from ordinary activities after finance costs but before exceptional items (5-6)	210	102	(500)	(643)
8	Exceptional items	-	-	-	-
9	Profit/(loss) from ordinary activities before tax (7-8)	210	102	(500)	(643)
10	Tax expense (net)	71	(216)	(6)	(222)
11	Net profit/(loss) from ordinary activities after tax (9-10)	139	318	(494)	(421)
12	Extraordinary items (net of tax expense)	-	-	-	-
13	Net profit/(loss) (11-12)	139	318	(494)	(421)
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				5,838
16.i	Earnings per share (before extraordinary items) [of ₹ 10/- each (* not annualised)] Basic and diluted (₹)	*1.78	* 4.07	* (6.32)	(5.38)
16.ii	Earnings per share (after extraordinary items) [of ₹ 10/- each (* not annualised)] Basic and diluted (₹)	*1.78	* 4.07	* (6.32)	(5.38)

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BHARAT GEARS LIMITED					
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Part II					
SELECT INFORMATION FOR THE QUARTER ENDED JUNE 30, 2015					
	Particulars	Quarter ended			Previous Year ended
		30.06.2015	31.03.2015	30.06.2014	31.03.2015
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	3,676,095	3,676,095	3,676,095	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	4,141,738	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 30.06.2015
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 on July 30, 2015, have been approved by the Board of Directors at its meeting held on July 31, 2015.
- The auditors of the Company have carried out limited review of the Unaudited Financial Results for the quarter ended June 30, 2015.
- 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".
- Other operating income includes:

Particulars	Quarter ended			
	30.06.2015	31.03.2015	30.06.2014	31.03.2015
	(Unaudited)	(Audited) Refer note 8	(Unaudited)	(Audited)
Export Incentives	261	80	44	263

- Employee benefits expense includes:

Particulars	Quarter ended			Previous Year ended
	30.06.2015	31.03.2015	30.06.2014	31.03.2015
	(Unaudited)	(Audited) Refer note 8	(Unaudited)	(Audited)
Voluntary retirement scheme expense	62	-	154	204



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6. The depreciation and amortisation expense for the quarter and year ended March 31, 2015 was lower by ₹ 189 lacs in view of accounting for change in the method of depreciation from written down value method to straight line method for certain assets effective April 01, 2014.

7. Other income includes:

(₹ in lacs)

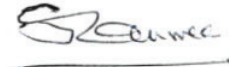
Particulars	Quarter ended		Previous Year ended
	30.06.2015	31.03.2015	31.03.2015
	(Unaudited)	(Audited) Refer note 8	(Unaudited) (Audited)
Net exchange gain/(loss)	74	(20)	24
			110

8. Figures for the quarter ended March 31, 2015 are the balancing figures between the audited financial figures in respect of the full financial year ended March 31, 2015 and published year to date unaudited figures upto December 31, 2014, being the end of the third quarter of the financial year ended March 31, 2015, which was subjected to limited review

9. Previous year/period's figures have been regrouped/reclassified wherever necessary.

For and on behalf of the Board of Directors

Place: Faridabad
Date: July 31, 2015



SURINDER P. KANWAR
Chairman & Managing Director