

Limited Review Report**Review Report to
The Board of Directors
Bharat Gears Limited**

We have reviewed the accompanying statement of unaudited standalone financial results of Bharat Gears Limited (the 'Company') for the quarter ended September 30, 2017 and year to date from April 1, 2017 to September 30, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

The comparative Ind AS financial information of the Company for the immediately preceding quarter ended June 30, 2017, were reviewed by the predecessor auditor who expressed an unmodified opinion on those financial information on August 9, 2017. We have not audited or reviewed the accompanying financial results and other financial information for the three months ended September 30, 2016 and the year to date period ended September 30, 2016 which have been presented solely based on the information compiled by Management.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E/E300003


per **Pramod Kumar Bapna**
Partner
Membership No.: 105497

Lonand, Satara
November 3, 2017



BHARAT GEARS LIMITED

CIN: L29130HR1971PLC034365

Registered Office: 20 K. M. Mathura Road, P. O. Amar Nagar, Faridabad - 121 003 (Haryana)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017

(₹ in lacs)

Particulars	Quarter ended			Half Year ended	
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016
	(Unaudited)	(Unaudited)	(Unaudited) Refer Note 4	(Unaudited)	(Unaudited) Refer Note 4
1 Revenue from operations (Refer Note 8)	12,577	11,368	10,469	23,945	21,068
2 Other income	18	31	23	49	75
3 Total income (1+2)	12,595	11,399	10,492	23,994	21,143
4 Expenses					
(a) Cost of materials and components consumed	5,853	5,282	4,820	11,135	9,538
(b) Changes in inventories of finished goods and work-in-progress	110	(206)	(237)	(96)	(457)
(c) Employee benefits expense (Refer Note 7)	2,131	2,048	2,047	4,179	4,144
(d) Finance costs	463	366	364	829	750
(e) Depreciation and amortisation expense	453	424	418	877	829
(f) Other expenses (Refer Note 8)	3,363	3,630	3,491	6,993	6,914
Total expenses	12,373	11,544	10,903	23,917	21,718
5 Profit/(loss) before tax (3-4)	222	(145)	(411)	77	(575)
6 Tax expense					
1. Current Tax	30	-	-	30	-
2. Deferred Tax	36	(40)	(130)	(4)	(180)
7 Net profit/(loss) for the period (5-6)	156	(105)	(281)	51	(395)
8 Other comprehensive income/(loss)					
(i) Items that will not be reclassified to profit or loss	(3)	(3)	8	(6)	17
(ii) Income tax relating to items that will not be reclassified to profit or loss	1	1	(3)	2	(6)
9 Total comprehensive income for the period (7+8)	154	(107)	(276)	47	(384)
10 Earnings per share [of ₹ 10/- each (* not annualised)] Basic and diluted (₹)	* 1.99	* (1.34)	* (3.60)	* 0.65	* (5.05)

Sanjeev

BHARAT GEARS LIMITED

CIN: L29130HR1971PLC034365

Registered Office: 20 K. M. Mathura Road, P. O. Amar Nagar, Faridabad - 121 003 (Haryana)

Notes:

- The above financial results were reviewed and recommended by the Audit Committee in their meeting held on November 2, 2017 and have been approved by the Board of Directors at its meeting held on November 3, 2017.
- The statutory auditors of the Company have carried out limited review of the Unaudited Financial Results for the quarter and half year ended September 30, 2017.
- The Company adopted Indian Accounting Standard ("Ind AS") from April 1, 2017 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for the quarters presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34.
- The financial results for the quarter and half year ended September 30, 2016 have not been reviewed or audited by the statutory auditors. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.
- Reconciliation of net loss as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and half year ended September 30, 2016:

Sr. No.	Particulars	₹ in lacs)	
		Quarter ended September 30, 2016 Unaudited (Refer Note 4)	Half Year ended September 30, 2016 Unaudited (Refer Note 4)
	Net loss for the quarter and half year under previous Indian GAAP	(278)	(386)
(a)	Interest income on account of fair valuation	4	9
(b)	Actuarial loss on employees defined benefits plans recognised	(8)	(17)
(c)	Others (Net)	(3)	(7)
(d)	Impact of deferred tax on all above adjustments	4	6
	Net loss for the quarter and half year under Ind AS	(281)	(395)
(e)	Other comprehensive income (net of tax)	5	11
	Total comprehensive loss for the quarter and half year	(276)	(384)

- The Company is primarily engaged in the Automotive Gears business and all other activities revolving around the same. As such there is no other separate reportable segment as defined by Ind AS 108 - "Operating Segments".

- Employee benefits expense includes:

Particulars	₹ in lacs)				
	Quarter ended			Half Year ended	
	30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)
Voluntary retirement scheme expense	30	29	70	59	214

- Consequent to the introduction of Goods and Services Tax (GST) with effect from July 1, 2017, Central Excise, Value Added Tax (VAT), etc. have been subsumed into GST. As per Ind AS 18, revenue from operations for the quarter ended September 30, 2017 is reported net of GST. However, revenue from operations for the quarters ended June 30, 2017, quarter and half year ended September 30, 2016 are reported inclusive of Excise duty with corresponding excise duty expense included in other expenses as under:

Particulars	₹ in lacs)				
	Quarter ended			Half Year ended	
	30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)
Excise Duty included in revenue from operations and other expenses	-	645	678	645	1434

9. Statement of Assets and Liabilities:

(₹ in lacs)

Particulars		As at
		30.09.2017
		Unaudited
A	ASSETS	
1	Non-current assets	
	(a) Property, Plant and Equipment	11,274
	(b) Capital work-in-progress	90
	(c) Other Intangible assets	111
	(d) Financial Assets	
	(i) Loans	126
	(ii) Others	72
	(e) Deferred tax assets (net)	111
	(f) Other non-current assets	432
		12,216
2	Current assets	
	(a) Inventories	6,618
	(b) Financial Assets	
	(i) Trade receivables	10,556
	(ii) Cash and cash equivalents	666
	(iii) Loans	56
	(iv) Others	108
	(c) Current tax assets (net)	18
	(d) Other current assets	3,099
		21,121
	TOTAL	33,337
B	EQUITY AND LIABILITIES	
1	Equity	
	(a) Equity Share capital	782
	(b) Other Equity	5,964
		6,746
2	Non-current liabilities	
	(a) Financial Liabilities	
	(i) Borrowings	6,288
	(ii) Others	31
	(b) Provisions	1,494
	(c) Other non-current liabilities	173
		7,986
3	Current liabilities	
	(a) Financial Liabilities	
	(i) Borrowings	4,870
	(ii) Trade Payables	10,497
	(iii) Others	2,341
	(b) Other current liabilities	752
	(c) Provisions	145
		18,605
	TOTAL	33,337

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

For and on behalf of the Board of Directors



Place: Lonand, Satara
Date: November 3, 2017

SURINDER P. KANWAR
Chairman & Managing Director