

Limited Review Report

**Review Report to
The Board of Directors
Bil Energy Systems Limited
Mumbai**

1. We have reviewed the accompanying statement of unaudited financial results of **Bil Energy Systems Limited** ('the Company') for the quarter ended 30th September, 2014 ('the Statement') except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 14th November, 2014. Our responsibility is to issue a report on these financial statements based on our review.
2. 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 & 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 procedure applied to financial data & thus provides less assurance than an audit. We have not performed an audit & accordingly, we do not express an audit opinion.
3. The lender Bank of Bilpower Limited vide its letter dated 5th June 2014 has pursuant to certain corporate guarantees given by the company demanded from the company their dues from Bilpower Limited amounting to Rs. 215.82 crores. No Provision has been made in the accounts for the probable loss that may arise on account of above demand of Rs. 215.82 crores.
4. The company has not provided for interest payable to State Bank of India amounting to Rs. 251.05 lacs for quarter ended 30th September, 2014 and Rs. 245.23 lacs for the quarter ended 30th June, 2014. Total interest not provided for the half year ended 30th September, 2014 is Rs. 496.28 lacs. As a result the profit for the quarter ended 30th June, 2014 & 30th September 2014 are overstated by Rs. 245.23 lacs & Rs. 251.05 lacs respectively. Also profit for the half year ended 30th September, 2014 is overstated by Rs. 496.28 lacs. The company has not made any provision for penal interest claimed by the Bank. The amount of penal interest cannot be quantified as the details have not been received from the Bank.



Bansal, Bansal & Co.
Chartered Accountants.

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5. Based on our review conducted as above, except for the effect of the matter described in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition & measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified pursuant to the Companies practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which is to be disclosed or that is contains any material misstatement.

For Bansal Bansal & Co.

Chartered Accountant

FRN : 100986W



(Anand Drolia)

(Partner)

(036718)

Place : Mumbai

Date : November 14, 2014

