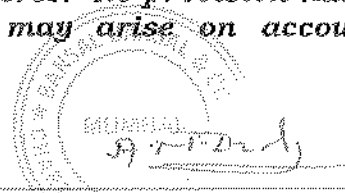


Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To
**Board of Directors of
Bil Energy Systems Limited**

1. We have audited the quarterly financial results of **Bil Energy Systems Limited** ('the Company') for the quarter ended March 31, 2015 and the financial results for the year ended March 31, 2015, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, 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 audited by us. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2015 and the published year-to-date figures up to December 31, 2014, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2015 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2014, the audited annual financial statements as at and for the year ended March 31, 2015, and the relevant requirements of clause 41 of the Listing Agreement and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine -months period ended December 31, 2014 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard(AS) 25, Interim Financial Reporting, notified under the Companies Act, 2013 read with General Circular 8/2014 dated April 4, 2014, issued by the Ministry of Corporate Affairs and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2015; and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. ***The company has sent letters to customers in respect of trade receivables for confirming balances outstanding as at March 31, 2015, but in most of the cases the customers have not sent written confirmation confirming the balance outstanding as at March 31, 2015. In the absence of confirmation any provision to be made for adverse variation in the carrying amounts of trade receivable is not quantified.***
4. ***The lender Bank of Bilpower Limited 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.***



Bansal Bansal & Co.

Chartered Accountants

5. *The company has not provided for interest payable to State Bank of India amounting to Rs.281.13 for quarter ended 31st March, 2015. Further the company has also not provided for interest amounting to Rs.763.99 Lacs for the period of nine months ended 31st December, 2014. The company has also not made any provision for penal interest claimed by bank. As a result the loss for the quarter/year ended 31st March, 2015 is understated by Rs.281.13/ Rs.1045.12 Lacs & current liabilities as at 31st March, 2015 are also understated by Rs. 1045.12 Lacs and also Reserves are overstated by Rs.1045.12 Lacs. The amount of penal interest cannot be quantified as the details have not been received from the bank.*
6. In our opinion and to the best of our information and according to the explanations given to us. *except for the effects of the matter described in paragraphs 3,4 & 5 above*, these quarterly financial results as well as the year to date results:
- are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2015 and for the year ended March 31, 2015.
7. Further, read with paragraph above, we report that the figures for the quarter ended March, 2015 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2015 and the published year-to-date figures up to December 31, 2014, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Clause 41(I)(d) of the Listing Agreement.
8. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified that number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For Bansal Bansal & Co.
Chartered Accountant
FRN: 100986W



(Anand Drolia)
(Partner)
(036718)

Place: Mumbai

Date: May 30, 2015

