

INDEPENDENT AUDITOR'S REVIEW REPORT

To The Board of Directors
BIL ENERGY SYSTEM LIMITED

1. We have reviewed the accompanying statement of unaudited financial results of **BIL ENERGY SYSTEMS LIMITED** for the quarter ended December 31, 2015. 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 these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400 'Engagements to Review Financial Statements 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 financial 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The company has not provided for interest payable to State Bank of India amounting to Rs 300.71 lacs for the quarter ended 31st December, 2015. As a result, the loss for the quarter ended 31st December 2015 is understated by Rs 300.71 lacs & current liabilities as at 31st December are also understated by Rs 300.71 lacs and also reserves are overstated by Rs 300.71 lacs. Total Interest not provided for the nine months ended 31st December 2015 is Rs 873.30 lacs. The Company has not provided for interest payable to State Bank of India amounting to Rs 1045.12 lacs for the year ended 31st March 2015. The Company has also 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.
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.



5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Bansal Bansal & Co.**
Chartered Accountants
Firm Reg. No. 100986W



A handwritten signature in blue ink that reads "M. Agrawal".

Manoj Agrawal
Partner
M. No. 107624

Place of Signature: Mumbai
Date: 12th February, 2016.