

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

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 and nine month period ended 31 December, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 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 aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The comparative financial information of the Company for the quarter and nine month period ended 31 December, 2021 and for the year ended 31 March, 2022 prepared in accordance with Ind AS included in this Statement, have been reviewed / audited, as

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**Deloitte
Haskins & Sells LLP**

applicable, by the predecessor auditor. The reports of the predecessor auditor on these comparative financial information dated 09 February, 2022 and 27 May, 2022 respectively, expressed an unmodified conclusion / opinion, as applicable.
Our conclusion on the Statement is not modified in respect of this matter.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Saira Nainar
(Partner)
(Membership No. 040081)
UDIN: 230400818GWLSP2632

Place: Mumbai
Date: 10 February, 2023

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BHARAT GEARS LIMITED

CIN: L29130HR1971PLC034365

Registered Office: 20 K. M. Mathura Road, P. O. Amar Nagar, Faridabad - 121003 (Haryana)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH PERIOD ENDED 31 DECEMBER, 2022

(₹ in lakhs)

	Particulars	Quarter ended			Nine month period ended		Previous year ended
		31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	18,935	21,355	18,744	58,687	53,875	72,944
2	Other income (Refer note 4)	399	192	47	829	202	353
3	Total income (1+2)	19,334	21,547	18,791	59,516	54,077	73,297
4	Expenses						
	(a) Cost of materials and components consumed	9,881	12,073	9,130	32,537	27,982	37,530
	(b) Changes in inventories of finished goods and work-in-progress	(30)	(288)	710	(1,239)	(967)	(441)
	(c) Employee benefits expense	3,059	3,011	2,684	8,807	7,983	10,714
	(d) Finance costs	439	397	444	1,252	1,431	1,843
	(e) Depreciation and amortisation expense	519	496	475	1,484	1,578	2,039
	(f) Other expenses (Refer note 5)	5,124	5,066	4,580	14,965	13,740	18,565
	Total expenses	18,992	20,755	18,023	57,806	51,747	70,250
5	Profit before exceptional item and tax (3-4)	342	792	768	1,710	2,330	3,047
6	Exceptional item (Refer note 6)	-	-	-	-	360	360
7	Profit before tax (5+6)	342	792	768	1,710	2,690	3,407
8	Tax expense						
	(a) Current tax	146	230	138	543	484	441
	(b) Deferred tax (credit)/charge	(56)	(28)	57	(105)	199	423
	(c) (Excess)/Short provision for tax relating to prior years	(7)	14	(41)	7	(41)	(41)
9	Net profit for the period (7-8)	259	576	614	1,265	2,048	2,584
10	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	- Re-measurement gain on defined benefits obligations	47	72	28	140	84	31
	- Income tax effect	(12)	(18)	(7)	(35)	(21)	(8)
	Other comprehensive income (net of tax)	35	54	21	105	63	23
11	Total comprehensive income for the period (9+10)	294	630	635	1,370	2,111	2,607
12	Paid-up equity share capital (Refer note 7) (Face value ₹ 10/- per share)	1,536	1,024	1,024	1,536	1,024	1,024
13	Other equity						9,795
14	Earnings per share (Refer note 7) [face value of ₹ 10 /- each (* not annualised)] Basic and diluted (₹)	*1.69	*3.75	*4.22	*8.24	*14.19	17.62

Signature

- Notes:
1. The above Unaudited Financial Results have been reviewed and recommended by the Audit Committee meeting held on 09 February, 2023 and have been approved by the Board of Directors at their meeting held on 10 February, 2023.
 2. The statutory auditors of the Company have carried out limited review of the aforesaid Unaudited Financial Results.
 3. 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".
 4. Other income includes:

Particulars	Quarter ended			Nine month period ended		Previous year ended
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Net exchange gain	378	173	25	770	150	282

5. Other expenses during the quarter ended 31 December, 2022 and 30 September, 2022 and nine month period ended 31 December, 2022 is net of ₹ Nil, ₹ 234 lakhs and ₹ 93 lakhs respectively, being the recovery of expenses for earlier periods.
6. The Company had lodged a compensation claim with the Mumbai Metropolitan Region Development Authority ('MMRDA') in earlier years in respect of costs incurred towards shifting/re-location of facilities situated on the Company's land acquired by the Authority in such years towards proposed road widening projects. The Company during the quarter ended 30 September, 2021 had received compensation amounting to ₹ 514 lakhs which was netted off against the costs incurred directly in relation to the same amounting to ₹ 154 lakhs and accordingly, a net amount of ₹ 360 lakhs (gross of tax) was disclosed as an Exceptional item.
7. In terms of approval of the Board of Directors at their meeting held on 24 August, 2022, the Company had recommended bonus share issue in the ratio of 1:2 i.e. one equity bonus share for two fully paid-up equity shares. This has subsequently been approved by the Shareholders at their meeting held on 20 September, 2022. The record date was 28 September, 2022. Pursuant to the approval given by its shareholders, the Company has allotted 51,18,353 equity shares of Rs. 10 each as fully paid bonus equity shares to the eligible shareholders on 03 October, 2022. Basic and diluted earnings per share have been considered for the current period and previous periods and presented in accordance with Ind AS 33, Earnings Per Share.
8. Previous period's figures have been regrouped/reclassified wherever necessary.

For and on behalf of the Board of Directors



SURINDER PAUL KANWAR
Chairman & Managing Director

Date : 10 February, 2023