

Bansal Bansal & Co.

Chartered Accountants

INDEPENDENT AUDITOR'S REVIEW REPORT

To The Board of Directors
BILPOWER LIMITED

1. We have reviewed the accompanying statement of unaudited financial results of **BILPOWER LIMITED** ("the Company) for the quarter ended September 30, 2015 (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. These quarterly financial results have been prepared on the basis of the interim financial statements, which is the responsibility of the company's management and has been approved by the Board of Directors. In their meeting held on 07th November 2015. 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) 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 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 742.16 lacs for the quarter ended 30th September, 2015. As a result the loss for the quarter ended 30th September 2015 is understated by Rs 742.16 lacs & current liabilities as at 30th September are also understated by Rs 742.16 lacs and also reserves are overstated by Rs 742.16 lacs. The company has not provided for interest payable to State Bank of India amounting to Rs 712.35 lacs for the quarter ended 30th June 2015. Total Interest not provided for the half year ended 30th September 2015 is Rs 1454.51 lacs. The Company has not provided for interest payable to State Bank of India amounting to Rs 2652.65 lacs for the year ended 31st March 2015, and Rs 2341.46 for the year ended 31st March 2014. 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.



4. The lender' Bank of Bi! Energy Systems Limited has pursuant to certain corporate guarantees given by the company demanded from the company their dues from Bil Energy Systems Limited amounting to Rs 89.84 crores. No provision has been made in the accounts for the probable loss that may arise on account of above demand of Rs 89.94 crores.
5. Loan given includes interest free unsecured loans of Rs 313 lacs.
6. Attention is invited to foot no. 5 to the unaudited financial results for the quarter under review regarding the financial statements/ results being prepared on a going concern basis, notwithstanding the fact that the company's net worth is fully eroded due to high losses for the financial years 2011-2012, 2012-2013, 2013-2014, 2014-2015 and also for the half year ended 30th September 2015. The appropriateness of the said basis is interalia dependent on the company's ability to infuse requisite funds for meeting its obligations, rescheduling of debt and resuming normal operations.
7. Based on our review conducted as above, except for the effect of the matter described in paragraph 3,4 &5 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 Accounting Standard 25 "Interim Financial Reporting", specified under Section 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreements with the Stock Exchanges, 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


Manoj Agrawal
Partner



M. No. 107624
Date: 07th November, 2015
Place: Mumbai