

CHATURVEDI & PARTNERS

Chartered Accountants

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The Board of Directors,
BHAGAWATI GAS LIMITED

LIMITED REVIEW REPORT ON THE UN-AUDITED FINANCIAL RESULT OF BHAGAWATI GAS LIMITED, PURSUANT TO CLAUSE 41 OF THE LISTING AGREEMENT

1. We have reviewed the accompanying unaudited financial results of **BHAGAWATI GAS LIMITED** for the quarter ended June 30, 2014 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. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, at their meeting held on August 14, 2014 and have been initiated by us for identification only. 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 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 statements are 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. We refer to following notes of the statement of unaudited financial result:
 - (a) Note 4, wherein the recovery of doubtful advances of Rs. 70.33 Lacs and receivables aggregating to Rs.1,396.52 Lacs considered good and recoverable to the management. In the absence of confirmation and having regard to the age of these balances, we are unable to comment the extent to which these balances are recoverable.
 - (b) Note 5, in respect of expiry of Gas supply agreement and restoration of Company's operations being dependent upon the extension of supply agreement.
 - (c) Note 6, regarding change of depreciation at old rates, pending evaluation of the useful life of fixed assets.
4. Based on our review conducted as above, and subject to our comments in Para 3(a) to 3(c) above, the impact of which is presently not ascertainable, 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 recognised accounting 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 it is to be disclosed, or that it contains any material misstatement.

For **CHATURVEDI & PARTNERS**
Chartered Accountants
Firm Registration No. 307068E



R N CHATURVEDI
Partner
Membership No. 092087

New Delhi
August 14, 2014



Other Offices : Kolkata • Mumbai • Chennai • Lucknow • Hyderabad

BHAGAWATI GAS LIMITED (formerly known as Bhagwati Gases Limited) Registered Office: Bhanwas Khetri Nagar - 333504, Distt Jhunjhunu, Rajasthan E Mail ID: bhagwatigases@gmail.com CIN: L24111RJ1974PLC005789					
PART I Statement of Standalone Unaudited Results for the Quarter and Three Months Ended June 30, 2014					
	Particulars	3 Months ended 30.06.2014 Unaudited	Preceding Three Months Ended 31.03.2014 Audited	Corresponding 3 months ended 30.06.2013 Unaudited	Previous year ended 31.03.2014 Audited
1	Income from operations				
	(a) Net sales/income from operations	-	-	-	-
	(b) Other operating income	-	-	-	-
	Total income (1)	-	-	-	-
2	Expenses				
	(a) Cost of Materials Consumed	-	-	-	-
	(b) Purchases of stock-in-trade	-	-	-	-
	(c) Changes in inventories of stock-in-trade	-	-	-	-
	(d) Employee benefits expense	11.22	3.38	16.82	55.99
	(e) Depreciation and amortisation expense	14.41	14.64	14.81	59.39
	(f) Other expenses	5.31	11.27	9.63	43.09
	Total expenses (2)	30.94	29.29	41.26	158.47
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(30.94)	(29.29)	(41.26)	(158.47)
4	Other income	-	0.99	8.40	13.59
5	Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3 +4)	(30.94)	(28.31)	(32.86)	(144.89)
6	Finance costs	3.36	4.93	5.94	21.76
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(34.30)	(33.24)	(38.80)	(166.65)
8	Exceptional items	-	-	-	-
9	Profit/ (Loss) from ordinary activities before tax (7-8)	(34.30)	(33.24)	(38.80)	(166.65)
10	Tax expense				
	a Current Tax	-	-	-	-
	b Deferred Tax expense	-	-	-	-
	c Income Tax Paid for Earlier Year	-	-	-	-
	Total (10)	-	-	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9-10)	(34.30)	(33.24)	(38.80)	(166.65)
12	Extraordinary items	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	(34.30)	(33.24)	(38.80)	(166.65)
14	Paid-up equity share capital (Face Value of ` 10/- each)	1,674.00	1,674.00	1,674.00	1,674.00
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	219.07
16.i	Earnings per share (before extraordinary items) (of ` 10 /- each) (not annualised):				
	(a) Basic	(0.20)	(0.20)	(0.23)	(1.00)
	(b) Diluted	-	-	-	-
16.ii	Earnings per share (after extraordinary items) (of ` 10/- each) (not annualised):				
	(a) Basic	(0.20)	(0.20)	(0.23)	(1.00)
	(b) Diluted	-	-	-	-
		(Not Annualised)		(Not Annualised)	
PART II					
A PARTICULARS OF SHAREHOLDING					
1	Public shareholding				
	a) Number of shares	11,012,016	11,012,016	11,012,016	11,012,016
	b) Percentage of shareholding	65.77%	65.77%	65.77%	65.77%
2	Promoters and Promoter Group Shareholding:				
	a) Pledged / Encumbered				
	- Number of shares	1,449,800	1,449,800	1,449,800	1,449,800
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	25.30%	25.30%	25.30%	25.30%
	- Percentage of shares (as a % of the total share capital of the company)	8.66%	8.66%	8.66%	8.66%
	b) Non - encumbered				
	- Number of shares	4,280,643	4,280,643	4,280,643	4,280,643
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	74.70%	74.70%	74.70%	74.70%
	- Percentage of shares (as a % of the total share capital of the company)	25.57%	25.57%	25.57%	25.57%

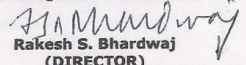


B	INVESTOR COMPLAINTS	Quarter ended 30.06.2014
	- Pending at the beginning of the quarter	Nil
	- Received during the quarter	Nil
	- Disposed of during the quarter	Nil
	- Remaining unresolved at the end of the quarter	Nil

Notes:

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at its meeting held on August 14, 2014
- The limited review by the Statutory Auditors for the quarter as required under clause 41 of the listing agreement has been completed and the related Report is being forwarded to the Stock Exchange.
- The company is engaged only in one segment i.e. "Production of gases" and hence segment reporting is not applicable.
- Provision for doubtful advances of Rs. 70.33 lacs, and receivables of Rs 1,396.52 lacs has not been made as the management is hopeful of recovering the amount in due course. The Auditors have qualified their Limited Review Report to the quarter ended June 30, 2014 and Auditors' Report, for the year ended March 31, 2014 in this regard.
- Long term gas supply agreement with the customer has expired. The company is negotiating to extend the same as plant remain closed. The restoration of operations of the company dependent upon the extension of the supply agreement.
- The company is in the process of evaluating the useful life of its fixed assets and depreciation continue to be charged at old rates. The effect, if any, shall be recorded on completion of the same. The management, however, does not expect material effect on account of this.
- Figures for the previous period have been regrouped/rearranged wherever considered necessary.

Place: New Delhi
Dated: August 14, 2014

For Bhagawati Gas Limited

Rakesh S. Bhardwaj
(DIRECTOR)
DIN: 00029757

