

February 05, 2011

Review Report to,  
The Board of Directors  
**BHAGWATI AUTOCAST LIMITED**  
Survey No. 816, Village Rajoda,  
Near Bavla, Dist. Ahmedabad

We have reviewed the accompanying statement of unaudited financial results of **M/s BHAGWATI AUTOCAST LIMITED** for the period ended 31.12.2010 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/Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

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 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.

Management has informed us that it has provided contingency expenses to cover cost of inflation and also for expenses for which bills are still to be received. It is informed that the major input procurement costs of the Company is demand elastic and subject to highly erratic market forces and therefore the costs referred to above are spared over through out the year to arrive at a fair and equitable charge on the profits of the Company. Our review shows that the aforesaid expenditure would have been decreased by about Rs. 5.78 lacs and net profit for the quarter would have increased by Rs. 5.78 lacs, if the actual are taken.

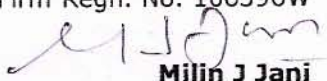
Based on our review conducted except as stated above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and/or Accounting Standards issued by the Institute of Chartered Accountants of India and other recognized accounting practices and polices, 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.

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 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.

Place : Ahmedabad

**For Milin J Jani & Co.**

Chartered Accountants  
Firm Regn. No. 106396W

  
**Milin J Jani**

Proprietor

Membership No. 44077

