

## KIRLOSKAR OIL ENGINES LIMITED

## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2014

PART I		( ₹ in Lakhs )					
		Quarter ended			Nine months ended		Year ended
		31-12-2014	30-09-2014	31-12-2013	31-12-2014	31-12-2013	31-03-2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	a) Net sales/income from operations (Net of excise duty)	60,441	62,251	56,236	185,600	165,467	228,696
	b) Other operating income	786	540	667	2,327	2,253	3,304
	Total income from operations (net)	61,227	62,791	56,903	187,927	167,720	232,000
2	Expenses						
	a) Cost of materials consumed	31,625	33,396	29,448	96,369	94,729	125,579
	b) Purchases of stock-in-trade	8,223	8,814	2,844	27,319	9,596	18,676
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(346)	(1,287)	2,927	(1,676)	(1,265)	146
	d) Employee benefits expense	4,975	4,847	4,227	14,401	12,691	16,258
	e) Depreciation and amortisation expense	2,559	2,571	2,440	7,568	7,341	9,831
	f) Other expenses	10,929	10,645	9,679	31,778	29,908	40,954
	g) Total expenses (a to f)	57,965	58,986	51,565	175,759	153,000	211,394
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	3,262	3,805	5,338	12,168	14,720	20,606
4	Other income	1,631	1,214	855	4,220	2,820	3,780
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	4,893	5,019	6,193	16,388	17,540	24,386
6	Finance costs	5	13	9	27	36	42
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	4,888	5,006	6,184	16,361	17,504	24,344
8	Exceptional items - (Expenses) / Income	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	4,888	5,006	6,184	16,361	17,504	24,344
10	Tax expense	1,479	1,473	1,658	4,691	4,622	6,499
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	3,409	3,533	4,526	11,670	12,882	17,845
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 + 12)	3,409	3,533	4,526	11,670	12,882	17,845
14	Paid-up equity share capital (Face value of ₹ 2 each)	2,892	2,892	2,892	2,892	2,892	2,892
15	Reserves excluding revaluation reserves as per balance sheet of previous accounting year						123,831
16	Basic and diluted EPS ( ₹ )						
	Before and After Extraordinary items (not annualized)	2.36	2.44	3.13	8.07	8.91	12.34
PART II							
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	- Number of shares	39,451,865	39,451,865	39,463,635	39,451,865	39,463,635	39,463,635
	- Percentage of shareholding	27.28	27.28	27.29	27.28	27.29	27.29
2	Promoters and promoter group shareholding						
	a) Pledged / encumbered						
	- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL
	b) Non-encumbered						
	- Number of shares	105,161,996	105,161,996	105,150,226	105,161,996	105,150,226	105,150,226
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	72.72	72.72	72.71	72.72	70.43	72.71
Particulars		3 months ended 31-12-2014					
B	INVESTOR COMPLAINTS						
	Pending at the beginning of the quarter						NIL
	Received during the quarter						2
	Disposed of during the quarter						2
	Remaining unresolved at the end of the quarter						NIL



## Notes :

- 1 Pursuant to the enactment of the Companies Act, 2013 ("The Act") the Company has, effective 1 April 2014, reworked depreciation on the basis of useful life of fixed assets as per the provisions of the Act and subsequent notifications/circulars. Consequentially, the carrying value of assets whose life has been completed, as at 1 April 2014 has been adjusted to the General Reserve and in other cases the same has been depreciated over the remaining revised life of the assets. As a result, depreciation charge is lower by Rs 84 Lakhs for the nine months ended 31 December 2014.
- 2 The Board of Directors in its meeting held on 2 September 2014, had approved the Composite Scheme of Arrangement and Amalgamation between Kirloskar Brothers Investments Limited (KBIL - Transferor Company), Pneumatic Holdings Limited (PHL - Resulting Company) and Kirloskar Oil Engines Limited (KOEL - Transferee Company) and their respective shareholders and creditors under Section 391 to 394 and other relevant Sections of the Companies Act, 1956, and relevant Section of the Companies Act, 2013, to the extent applicable. The said scheme is subject to approval of Stock Exchanges, the Company's Shareholders, Creditors, Hon'ble High Court of Bombay and the necessary approvals under various statutes. The Company has filed the Scheme with the BSE Limited and National Stock Exchange of India Limited for in-principle approval. The details of the scheme are available on the website of the Company and Stock Exchanges.  
  
The BSE Limited and National Stock Exchange of India Limited vide its observation letter dated 3 December 2014 and 4 December 2014 respectively, conveyed their no-objection to file the Composite Scheme of Arrangement and Amalgamation between Kirloskar Brothers Investments Limited, Pneumatic Holdings Limited and the Company, with Hon'ble High Court of Judicature at Bombay.  
  
The Hon'ble High Court of Judicature at Bombay vide its order dated 19 December 2014, directed the Company to conduct meeting of shareholders on 18 February 2015. In addition to this, as per SEBI circular, the Company will be conducting Postal Ballot and e-voting to obtain consent of Public Shareholders of the Company for the said Scheme. The results of the Postal Ballot will be declared on 17 February 2015. The notice of Court Convened Meeting and Postal Ballot is already dispatched to the shareholders.
- 3 The Company operates in single reportable segment namely Engines, for the purpose of Accounting Standard 17 on "Segment Reporting"
- 4 The figures for the previous periods have been regrouped wherever required to make them comparable with those of the current period.
- 5 The above results are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 20 January 2015 and are subjected to a "Limited Review" by the Statutory Auditors.

Registered Office:  
Laxmanrao Kirloskar Road,  
Khadki, Pune - 411 003

Place : Pune  
Date : 20th January, 2015

For Kirloskar Oil Engines Limited



Nihal G. Kulkarni  
Managing Director



Board of Directors,  
Kirloskar Oil Engines Ltd.  
Laxmanrao Kirloskar Road,  
Khadki, Pune - 411 003

**REVIEW REPORT**

We have reviewed the accompanying statement of unaudited financial results of **Kirloskar Oil Engines Ltd.** for the period ended **31<sup>st</sup> December, 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. 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) 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 provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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 Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For M/s. P. G. Bhagwat**  
Chartered Accountants  
Firm Registration Number : 101118W



Nachiket Deo  
Partner  
Membership Number : 117695  
Pune: 20<sup>th</sup> January , 2015

