



August 23, 2018

Ref:Sec/Sto/2018/08-05

To,  
Corporate Relationship Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400001

Dear Sirs,

Subject **Outcome of Board Meeting.**

Disclosure under Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: [Scrip Code: 505890] - Kennametal India Limited

Please refer to our letter No. Ref:Sec/Sto/18/08-02 dated August 06, 2018, informing you of the Board Meeting of the Company on August 23, 2018, to consider, inter alia, the financial results of the Company for the Fourth quarter ended June 30, 2018 and Audited Financial Results of the Company for the financial year ended June 30, 2018.

We write to inform you that at the meeting of the Board of Directors held today (i.e., August 23, 2018), the Board, inter alia, has-

- a) Accepted the resignation of Mr. David Lee (DIN: 07175442) as Director of the Company with effect from August 23, 2018 due to his preoccupation.
- b) Co-opted Mr. Devi Parameswar Reddy (DIN: 03450016) in the casual vacancy caused due to the resignation of Mr. David Lee. Mr. Reddy is not related to any other Director of the Company. A brief profile of Mr. Reddy is attached as **Annexure-1**
- c) Noted the resignation of Mr. Thulsidass T V, Company Secretary and Compliance officer of the Company with effect from close of business hours on October 12, 2018. The Company will appoint his successor in due course.
- d) Appointment of Mr. K V Suresh Reddy, as a Compliance Officer of the Company with effect from October 13, 2018 until the appointment of a Company Secretary in due Course.
- e) Approved and taken on record the financial results of the Company for the fourth quarter ended June 30, 2018 and Audited Financial Results for the financial year ended June 30, 2018. The said results in the prescribed format and Independent Auditors Report are being attached herewith.
- f) We do hereby certify that the Audit Report of the Standalone Financial Results for the year ended June 30, 2018 is with unmodified opinion.




- g) approved to convene 53rd Annual General Meeting of the Company on Friday, November 09, 2018 and in that connection to close the Register of Members and Share Transfer Books of the Company from Friday, November 02, 2018 to Thursday, November 08, 2018 (both days inclusive).

The Meeting commenced at 12.00 PM and concluded at 3.45 PM.

Kindly take the same on record and oblige.

Thanking You,

Yours faithfully,

For Kennametal India Limited

A handwritten signature in blue ink, appearing to read 'Thulsidass T V', written over a white background.

**Thulsidass T V**  
**Company Secretary & Compliance Officer**



**Enclosed:** as mentioned above



*Annexure-1*

**Brief Profile of Mr. D. Parameshwar Reddy**

**Parameshwar Reddy**  
**Director Finance Asia Pacific.**

Mr. Parameshwar Reddy is a **Chartered Accountant and Cost and Management Accountant by training and is currently employed as Director – Finance of Kennametal Inc. for the Asia Pacific Region. In this role, he is responsible for managing all Financial business activities related to the Kennametal Business Segment within the region).**

He has been associated with Kennametal Group for more than 10 years, including as Vice President – Finance and Chief Financial Officer of Kennametal India Ltd prior to his elevation to the regional finance leadership of Kennametal Inc in 2016. Mr. Reddy has vast experience in the areas like Financial Management, Accounting, Costing, Pricing, MIS, Taxation, Budgetary Systems, Internal controls, Indian/US GAAP, SOX and all other related commercial aspects of the business in an ERP environment (SAP).

Presently Mr. Reddy is working from Singapore Office as Director Finance Asia Pacific region since last 2 years and would be a valuable addition to the Board of Kennametal India Ltd.

A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains the text 'KENNAMETAL INDIA LIMITED \* BANGALORE - 73 \*' around the perimeter.



# Walker Chandiook & Co LLP

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## Independent Auditor's Report on Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Kennametal India Limited

1. We have audited the financial results of Kennametal India Limited ('the Company') for the year ended 30 June 2018, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 7 to the financial results regarding the figures for the quarter ended 30 June 2018 as reported in these financial results, which are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These financial results are based on the financial statements for the year ended 30 June 2018 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of the financial statements for the year ended 30 June 2018 and our review of financial results for the nine months period ended 31 March 2018.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



# Walker Chandiook & Co LLP

3. In our opinion and to the best of our information and according to the explanations given to us, the financial results:
- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
  - (ii) give a true and fair view of the net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 30 June 2018.
4. The Company had prepared separate financial results for the year ended 30 June 2017, based on the financial statements for the year ended 30 June 2017 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and financial results for the nine months period ended 31 March 2017 prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015, and other accounting principles generally accepted in India, which were audited by the predecessor auditor, Price Waterhouse & Co Bangalore LLP, Chartered Accountants, whose reports dated 24 August 2017 and 9 May 2017 respectively expressed an unmodified opinion. These financial results for the year ended 30 June 2017 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

*Vijay V Singh*

Vijay Vikram Singh  
Partner  
Membership No. 059139

Bengaluru  
23 August 2018







## Kennametal India Limited

CIN: L27109KA1964PLC001546  
Regd Office : 8/9th Mile, Tumkur Road, Bangalore - 560 073

Website: www.kennametal.com/hi/about-us/kil-financials.html, Email: in.investorrelation@kennametal.com

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### Statement of audited financial results for the quarter and year ended June 30, 2018

( All amounts in ₹ lakhs, except per share data)

Sl. No.	Particulars	Quarter ended			Year ended	
		June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018	June 30, 2017
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
<b>I</b>	<b>INCOME</b>					
	Revenue from operations (refer note 5)	22576	19799	18440	79312	69597
	Other income	424	144	172	836	586
	<b>Total income</b>	<b>23000</b>	<b>19943</b>	<b>18612</b>	<b>80148</b>	<b>70183</b>
<b>II</b>	<b>EXPENSES</b>					
	Cost of materials consumed	7217	6521	4640	23840	17479
	Purchase of stock-in-trade	5041	5509	4435	20726	16936
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(37)	(2037)	(96)	(2721)	(43)
	Excise duty	-	-	1052	-	4412
	Employee benefits expense	3309	2831	3262	12266	12236
	Depreciation and amortisation expense	705	641	743	2811	2826
	Other expenses	4325	3815	3541	15156	12751
	<b>Total expenses</b>	<b>20560</b>	<b>17280</b>	<b>17577</b>	<b>72078</b>	<b>66597</b>
<b>III</b>	<b>Profit before exceptional items and tax (I-II)</b>	<b>2440</b>	<b>2663</b>	<b>1035</b>	<b>8070</b>	<b>3586</b>
<b>IV</b>	Exceptional items (refer note 4)	(296)	-	(550)	(770)	(550)
<b>V</b>	<b>Profit before tax (III-IV)</b>	<b>2144</b>	<b>2663</b>	<b>485</b>	<b>7300</b>	<b>3036</b>
<b>VI</b>	<b>Tax expense</b>					
	Current tax	646	703	288	2044	795
	Tax adjustments relating to earlier years	(460)	-	-	(460)	-
	Deferred tax charge / (credit)	(13)	329	(18)	490	(196)
	<b>Total tax expense</b>	<b>173</b>	<b>1032</b>	<b>270</b>	<b>2074</b>	<b>599</b>
<b>VII</b>	<b>Net profit for the period/year (V-VI)</b>	<b>1971</b>	<b>1631</b>	<b>215</b>	<b>5226</b>	<b>2437</b>
<b>VIII</b>	<b>Other comprehensive income, net of income tax</b>					
	(i) Items that will not be reclassified to profit or loss	155	(470)	-	(315)	2
	Income tax relating to items that will not be reclassified to profit or loss	(53)	163	-	109	(1)
	(ii) Items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>102</b>	<b>(307)</b>	<b>-</b>	<b>(206)</b>	<b>1</b>
<b>IX</b>	<b>Total comprehensive income for the period/year (VII+VIII)</b>	<b>2073</b>	<b>1324</b>	<b>215</b>	<b>5020</b>	<b>2438</b>
<b>X</b>	<b>Paid-up of equity share capital</b> (Face Value of ₹ 10 per share)	<b>2198</b>	<b>2198</b>	<b>2198</b>	<b>2198</b>	<b>2198</b>
<b>XI</b>	<b>Earnings per share</b> [Face Value of ₹ 10 per share (not annualised)]					
	- Basic (₹)	8.97	7.42	0.98	23.78	11.09
	- Diluted (₹)	8.97	7.42	0.98	23.78	11.09





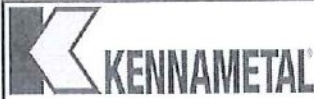
Kennametal India Limited  
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Audited statement of assets and liabilities

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	As at June 30, 2018	As at June 30, 2017
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	15392	14637
Capital work-in-progress	2105	278
Investment properties	1	1
Intangible assets	14	-
Financial assets		
Investments	50	50
Loans	181	139
Other financial assets	4	4
Deferred tax assets (net)	686	1068
Income tax assets (net)	2508	3826
Other non-current assets	1371	336
<b>Total non-current assets</b>	<b>22312</b>	<b>20339</b>
<b>Current assets</b>		
Inventories	15587	10726
Financial assets		
Investments	-	5001
Trade receivables	12635	11016
Cash and cash equivalents	9448	4204
Bank balances other than cash and cash equivalents	27	140
Loans	26	31
Other financial assets	102	115
Other current assets	1997	2171
<b>Total current assets</b>	<b>39822</b>	<b>33404</b>
<b>Total assets</b>	<b>62134</b>	<b>53743</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	2198	2198
Other equity	41678	37193
<b>Total equity</b>	<b>43876</b>	<b>39391</b>
<b>Non-current liabilities</b>		
Financial liabilities		
Other financial liabilities	10	10
Provisions	518	473
<b>Total non-current liabilities</b>	<b>528</b>	<b>483</b>
<b>Current liabilities</b>		
Financial liabilities		
Trade payables	10590	8343
Other financial liabilities	2692	2195
Provisions	1605	1487
Other current liabilities	2843	1844
<b>Total current liabilities</b>	<b>17730</b>	<b>13869</b>
<b>Total equity and liabilities</b>	<b>62134</b>	<b>53743</b>





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### Reporting of segment wise revenue, results, segment assets and liabilities

(All amounts in ₹ lakhs unless otherwise stated)

Sl. No.	Particulars	Quarter ended			Year ended	
		June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018	June 30, 2017
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	<b>Segment Revenue</b>					
	Revenue from operations (Refer Note 5)					
	Machining solutions	5043	2558	2567	12226	9663
	Hard metal and hard metal products	17533	17241	15873	67086	59934
	<b>Revenue from operations</b>	<b>22576</b>	<b>19799</b>	<b>18440</b>	<b>79312</b>	<b>69597</b>
2	<b>Segment Results</b>					
	Machining Solutions	709	313	282	1255	902
	Hard metal and hard metal products	1891	2638	1697	9199	5490
	<b>Total</b>	<b>2600</b>	<b>2951</b>	<b>1979</b>	<b>10454</b>	<b>6392</b>
	Add / (Less) :					
	Other unallocable income	528	27	216	635	359
	Other unallocable expenditure	(688)	(315)	(1160)	(3019)	(3165)
	Exceptional items	(296)	0	(550)	(770)	(550)
	<b>Total profit before tax</b>	<b>2144</b>	<b>2663</b>	<b>485</b>	<b>7300</b>	<b>3036</b>
3	<b>Segment Assets</b>					
	Machining solutions	6287	5781	4930	6287	4930
	Hard metal and hard metal products	40796	39372	32604	40796	32604
	Other unallocable assets	15051	13133	16209	15051	16209
	<b>Total assets</b>	<b>62134</b>	<b>58286</b>	<b>53743</b>	<b>62134</b>	<b>53743</b>
4	<b>Segment Liabilities</b>					
	Machining solutions	4767	4248	2570	4767	2570
	Hard metal and hard metal products	11514	10392	11599	11514	11599
	Other unallocable liabilities	1977	1319	183	1977	183
	<b>Total liabilities</b>	<b>18258</b>	<b>15959</b>	<b>14352</b>	<b>18258</b>	<b>14352</b>







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**Notes to the audited financial results for the quarter and year ended June 30, 2018**

- 1 In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid statement of audited financial results ("financial results") for the quarter and year ended June 30, 2018 of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 23, 2018. The aforesaid financial results for the quarter and year ended June 30, 2018 have been audited by the current statutory auditors of the Company and for the quarter and year ended June 30, 2017 have been audited by the predecessor statutory auditor of the Company under previous GAAP. Such results for the year ended June 30, 2017 have been adjusted for difference in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by the current statutory auditors.
- 2 The Company has adopted Indian Accounting Standards (Ind AS) from July 1, 2017 and accordingly, the above audited financial results for the quarter and year ended June 30, 2018 and June 30, 2017 have been prepared in accordance with the recognition and measurements principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 3 Reconciliation of net profit after tax under the previously applicable Generally Accepted Accounting Principles in India (referred to as "Previous GAAP") and total comprehensive income as reported in these financial results under Ind AS for the quarter and year ended June 30, 2017 and reconciliation of equity as at June 30, 2017 is as below:

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Quarter ended	Year ended
	June 30, 2017	June 30, 2017
	(Audited)	(Audited)
<b>(a) Net Profit after tax as reported under Previous GAAP</b>	78	2210
Adjustments on account of:		
Employee benefit credit (refer note A below)	(5)	11
Re-measurement losses in defined benefit plan	-	(2)
Deferred tax credit (refer note B below)	142	218
<b>(b) Net profit after tax as reported under Ind AS</b>	<b>215</b>	<b>2437</b>
<b>(c) Other comprehensive income, net of income tax</b>	<b>-</b>	<b>1</b>
<b>(d) Total comprehensive income under Ind AS (b+c)</b>	<b>215</b>	<b>2438</b>

**Notes to the profit reconciliation:**

- (A) Certain employees of the Company are granted Restricted Stock units in accordance with a share-based compensation plan managed and administered by the ultimate holding company. Accordingly, employee benefits expense has been recognised under such employee share-based payment plan as required under Ind AS 102 "Share-based Payment".
- (B) Deferred tax credit accounted for on temporary differences as required under Ind AS 12 "Income taxes".

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended
	June 30, 2017
Total equity (including shareholder's funds) as per previous GAAP	39,389
Adjustment Impacts : Gain/(Loss)	
Reversal of provision for employee share based payments (net of deferred tax impact)	2
Total Ind AS adjustments	2
Total equity (including shareholder's funds) under Ind AS	<b>39,391</b>

- 4 Exceptional items debited to the statement of profit and loss comprises of : (All amounts in ₹ lakhs unless otherwise stated)

Particulars	Quarter ended			Year ended	
	June 30, 2018	March 31, 2018	June 30, 2017	June 30, 2018	June 30, 2017
The Company announced a voluntary retirement scheme (VRS) for its workmen. Several workmen opted for the VRS and the aggregate expenditure incurred in this regard has been fully charged to the statement of profit and loss in accordance with Ind AS - 19 "Employee Benefits".	296	-	239	296	239
The company also has a severance / separation scheme for certain employees and the aggregate compensation paid in accordance with the said scheme has been fully charged to the statement of profit and loss.	-	-	311	474	311





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Notes to the audited financial results for the quarter and year ended June 30, 2018 (Cont'd)

- 5 Post implementation of Goods and Service Tax ("GST") with effect from July 1, 2017, revenue from operations is disclosed net of GST. Revenue from operations for the earlier periods included excise duty which is now subsumed in GST. Accordingly, revenue from operations for the quarter and year ended June 30, 2018 is not comparable with the quarter and year ended June 30, 2017.
- 6 The above audited financial results of the Company are available on the Company's website and also on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) where the shares of the Company are listed.
- 7 The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the financial year.
- 8 The previous period figures have been regrouped and / or reclassified wherever necessary to conform with the current period presentation.

Bengaluru  
August 23, 2018

For and on behalf of the Board of Directors of  
Kennametal India Limited

Bhagya Chandra Rao  
Managing Director

