



## KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

Enriching Lives

Date: 4 August 2016

NSE Scrip Code: **KIRLOSENG**

BSE Scrip Code: **533293**

To  
The Manager  
Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza, C -1, Block G, Bandra-Kurla  
Complex, Bandra (E), Mumbai – 400 051

To  
Corporate Relationship Department  
BSE Limited  
1<sup>st</sup> Floor, Rotunda Building,  
Dalal Street, Fort,  
Mumbai – 400 001

Dear Sir/Madam,

This is to inform you that Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) 2015:

1. The Standalone Un-audited financial results of the Company for the quarter ended 30 June 2016 were taken on record by the Board of Directors in its meeting held on 4 August 2016. A copy of the same is enclosed herewith. A copy of Limited Review Report dated 4 August 2016, received from M/s. P. G. Bhagwat, Chartered Accountants, Statutory Auditors of the Company is also enclosed herewith.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,  
For Kirloskar Oil Engines Limited

Smita Raichurkar  
Company Secretary

Encl.: As above.



## KIRLOSKAR OIL ENGINES LIMITED

## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2016

| PART I      |                                                                                                                 | ( ₹ in Crores ) |            |            |            |
|-------------|-----------------------------------------------------------------------------------------------------------------|-----------------|------------|------------|------------|
| Particulars |                                                                                                                 | Quarter ended   |            |            | Year ended |
|             |                                                                                                                 | 30-06-2016      | 31-03-2016 | 30-06-2015 | 31-03-2016 |
|             |                                                                                                                 | Unaudited       | Unaudited  | Unaudited  | Unaudited  |
| 1           | Income from operations                                                                                          |                 |            |            |            |
|             | a) Net sales/income from operations (Net of excise duty)                                                        | 651.25          | 656.24     | 574.88     | 2,405.79   |
|             | b) Other operating Income                                                                                       | 13.36           | 31.50      | 10.42      | 67.02      |
|             | Total income from operations (net)                                                                              | 664.61          | 687.74     | 585.30     | 2,472.81   |
| 2           | Expenses                                                                                                        |                 |            |            |            |
|             | a) Cost of materials consumed                                                                                   | 323.22          | 322.80     | 297.71     | 1,238.95   |
|             | b) Purchases of stock-in-trade                                                                                  | 90.28           | 87.08      | 79.82      | 321.34     |
|             | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                                | 10.75           | 9.21       | (4.46)     | (18.02)    |
|             | d) Employee benefits expense                                                                                    | 49.37           | 36.86      | 47.54      | 185.40     |
|             | e) Depreciation and amortisation expense                                                                        | 27.56           | 31.69      | 26.09      | 111.51     |
|             | f) Other expenses                                                                                               | 109.29          | 134.44     | 101.96     | 468.69     |
|             | g) Total expenses (a to f)                                                                                      | 610.47          | 622.08     | 548.66     | 2,307.87   |
| 3           | Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)                  | 54.14           | 65.66      | 36.64      | 164.94     |
| 4           | Other income                                                                                                    | 28.37           | 18.21      | 19.18      | 74.35      |
| 5           | Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)                     | 82.51           | 83.87      | 55.82      | 239.29     |
| 6           | Finance costs                                                                                                   | 0.68            | 1.00       | 3.63       | 9.03       |
| 7           | Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)               | 81.83           | 82.87      | 52.19      | 230.26     |
| 8           | Exceptional items - (Expenses) / Income                                                                         | -               | (15.10)    | -          | (25.48)    |
| 9           | Profit / (Loss) from ordinary activities before tax (7 + 8)                                                     | 81.83           | 67.77      | 52.19      | 204.78     |
| 10          | Tax expense                                                                                                     | 23.08           | 14.16      | 10.40      | 39.66      |
| 11          | Net Profit / (Loss) from ordinary activities after tax (9 - 10)                                                 | 58.75           | 53.61      | 41.79      | 165.12     |
| 12          | Extraordinary items (net of tax expense)                                                                        | -               | -          | -          | -          |
| 13          | Net Profit / (Loss) for the period (11 + 12)                                                                    | 58.75           | 53.61      | 41.79      | 165.12     |
| 14          | Other Comprehensive Income (net of tax)                                                                         | (0.19)          | 0.01       | (0.04)     | (0.10)     |
| 15          | Total Comprehensive Income (13 + 14)                                                                            | 58.56           | 53.62      | 41.75      | 165.02     |
| 16          | Paid-up equity share capital (Face value of ₹ 2 each)                                                           | 28.92           | 28.92      | 28.92      | 28.92      |
| 17          | Basic and diluted EPS ( ₹ ) (Face value of ₹ 2 each)<br>(Before and After Extraordinary Items [not annualized]) | 4.06            | 3.71       | 2.89       | 11.42      |

## Notes :

- The financial results of the Company are prepared in accordance with Indian Accounting Standards (Ind-AS) subsequent to its adoption with the transition date of 1 April 2015 pursuant to Ministry of Corporate affairs notification under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standard) (Amendment) Rules, 2016. Accordingly these financial results have been prepared in accordance with the recognition and measurement principles in Ind-AS 34- Interim Financial Reporting prescribed under section 133 of the Companies Act 2013 read with relevant rules issued thereunder and in terms of Regulation 33 of SEBI (Listing Regulation & Disclosure Requirement) Regulations 2015 and SEBI Circular no. CIR/CFD/FAC/62/2016, dated 5 July 2016. The comparative figures for the quarter ended 30 June 2015, 31 March 2016 and year ended 31 March 2016 have been restated to conform to the current period.

The results for aforesaid periods viz. quarter ended 30 June 2015, quarter ended 31 March 2016 and year ended 31 March 2016 have not been subjected to limited review and audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.

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- 2 Reconciliation of net profit under Ind-AS and reported under previous Indian GAAP (IGAAP) are summarized as follows :

( ₹ in Crores )

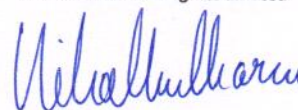
| Particulars                                                                             | Quarter ended |            | Year ended |
|-----------------------------------------------------------------------------------------|---------------|------------|------------|
|                                                                                         | 31-03-2016    | 30-06-2015 | 31-03-2016 |
|                                                                                         | Unaudited     | Unaudited  | Unaudited  |
| Net Profit under IGAAP (after Tax)                                                      | 47.15         | 35.89      | 140.53     |
| Recognition of Government grant as operating income                                     | 10.20         | 6.74       | 32.13      |
| Fair value gain/(losses) on financial instruments                                       | 1.12          | (0.19)     | (0.60)     |
| Net impact of fair valuation of interest free deposits                                  | (0.02)        | 0.02       | (0.02)     |
| Deferment of revenue for sale of extended warranty                                      | (3.83)        | -          | (3.83)     |
| Reclassification of employee defined benefits obligations to Other Comprehensive Income | (0.02)        | 0.06       | 0.16       |
| Others                                                                                  | 0.28          | -          | 0.28       |
| Deferred tax in respect of above adjustments                                            | (1.27)        | (0.73)     | (3.53)     |
| Net Profit under Ind-AS (after Tax)                                                     | 53.61         | 41.79      | 165.12     |
| Other Comprehensive Income (net of tax)                                                 | 0.01          | (0.04)     | (0.10)     |
| Total Comprehensive Income after Tax as per Ind-AS                                      | 53.62         | 41.75      | 165.02     |

- 3 The Company operates in single reportable segment namely 'Engines'.
- 4 The figures for the previous periods have been regrouped wherever required to make them comparable with those of the current period.
- 5 The results for the quarter ended 30 June 2016 are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 4 August 2016 and are subjected to a "Limited Review" by the Statutory Auditors.

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

Place : Pune  
Date : 4 August 2016

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 (the "statement") of Kirloskar Oil Engines Limited (the "Company") for the quarter ended 30<sup>th</sup> June 2016. 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 Independent Auditors 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.

#### **Other matter**

We report that the accompanying unaudited financial results for the corresponding period ended June 30, 2015, preceding quarter and year ended March 31, 2016, are based on the management certified financial information and have not been subject to review by us.



# **M/s P. G. BHAGWAT**

CHARTERED ACCOUNTANTS

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 prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No: CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016 , 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 No.: 117695

Pune

Date: 4<sup>th</sup> Aug, 2016