

KIRLOSKAR OIL ENGINES LIMITED

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2010

(Rs In Lakhs)

Particulars		Quarter ended		Period ended
		Unaudited	Unaudited	Audited
		30-06-2010	30-06-2009	31-03-2010
1	a) Net Sales	56,291	46,772	221,850
	b) Other Operating Income	725	830	4,244
2	Total Operating Income	57,016	47,602	226,094
3	Expenditure	50,179	43,060	199,207
	a) (Increase) / decrease in stock in trade and work in progress	(1,285)	(771)	(428)
	b) Consumption of raw materials	32,898	24,090	121,063
	c) Purchase of traded goods	2,477	5,969	15,262
	d) Employees cost	4,350	3,551	12,939
	e) Depreciation	2,071	1,896	8,399
	f) Other Expenditure	9,668	8,325	41,972
4	Profit from Operations before Other Income, Interest and Exceptional Items (2-3)	6,837	4,542	26,887
5	Other Income	301	161	823
6	Profit before Interest and Exceptional Items (4+5)	7,138	4,703	27,710
7	Interest	652	297	1,364
8	Profit after Interest but before Exceptional Items (6-7)	6,486	4,406	26,346
9	Exceptional Items - (Expenses) / Income (Refer note 5)	(130)	-	-
10	Profit(+)/ Loss(-) from Ordinary Activities before tax (8+9)	6,356	4,406	26,346
11	Tax Expenses	2,094	1,385	9,944
12	Net Profit (+)/ Loss (-) from Ordinary Activities after tax (10-11)	4,262	3,021	16,402
13	Extraordinary Items (net of tax expense)	-	-	-
14	Net Profit(+)/ Loss(-) for the period (12-13)	4,262	3,021	16,402
15	Paid-up Equity Share Capital (Refer note 4) (Face value of Rs 2 each)	2,913	2,913	2,913
16	Reserves excluding revaluation reserves as per balance sheet of previous accounting year			65,128
17	Basic and diluted EPS (Rs.) Before and After Extraordinary items for the period and for the previous year (not annualized)	2.93	2.07	11.26
18	Public Shareholding			
	- Number of Shares	54,799,248	54,799,248	54,799,248
	- Percentage of shareholding	37.63	37.63	37.63
19	Promoters and promoter group Shareholding			
	a) Pledged / Encumbered			
	- Number of Shares	2,542,500	NIL	2,542,500
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	2.80	NIL	2.80
	- Percentage of shares (as a % of the total share capital of the company)	1.75	NIL	1.75
	b) Non-encumbered			
	- Number of Shares	88,287,537	90,830,037	88,287,537
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	97.20	100.00	97.20
	- Percentage of shares (as a % of the total share capital of the company)	60.62	62.37	60.62

Contd...2



Notes :

- 1 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 26 July 2010 and are subjected to a " Limited Review " by the Statutory Auditors.
- 2 The name of the Company has been changed to Kirloskar Oil Engines Limited from Kirloskar Engines India Limited, with effect from 2 June 2010 pursuant to the Scheme of Arrangement. The Company has received new Certificate of Incorporation consequent to the change in the name from Registrar of Companies, Pune, Maharashtra.
- 3 The Company has received listing approval from Bombay Stock Exchange Limited (BSE) on 9 July 2010 and In-principle listing approval from National Stock Exchange of India Limited (NSE) on 16 July 2010 for 145,629,285 equity shares of Rs. 2/- each. The trading of these shares will start after receiving the approval from Securities Exchange Board of India (SEBI) for relaxation of Rule 19(2)(b) of the Securities Contracts (Regulations) Rules, 1957.
- 4 In terms of Scheme of Arrangement, between erstwhile Kirloskar Oil Engines Limited, Kirloskar Engines India Limited and their respective shareholders and creditors sanctioned by the Honourable High Court of the Judicature of Bombay which became effective from 31 March 2010 , the engines and auto components business of the erstwhile Kirloskar Oil Engines Limited was transferred to Kirloskar Engines India Limited, now Kirloskar Oil Engines Limited, to be operative with retrospective effect from 1 April 2009 (the Appointed date) . Accordingly the figures for the quarter ended 30 June 2009 have been drawn up considering effects of the Scheme.

In terms of the Scheme of Arrangement, the share capital of the company was reorganised and new shares were issued and allotted to the share holders on 30 April 2010. The shareholding pattern and other related disclosures have accordingly been made.
- 5 Exceptional items, net, represents :
 - a) Write back of depreciation amounting to Rs. 770 Lakhs in view of change in method of computing depreciation in respect of Electrical Installation and Aircraft, from written down value method to straight line method.
 - b) Considering foreign exchange exposure, Derivative contracts taken by the company and present volatility in foreign exchange rates, the management as a matter of prudence has during the quarter, made a provision amounting to Rs. 900 Lakhs against such losses. Additional provision if necessary, will be provided for in subsequent quarter / quarters as the circumstances demand.
- 6 The company has exercised the option as per Ministry of Corporate Affairs notification dated 31 March 2009 in respect of AS 11. In the current quarter Rs. 1084 Lakhs being eligible exchange difference loss has been adjusted in the cost of the assets.
- 7 Mr. Atul Kirloskar, Mr. Gautam A. Kulkarni and Mr. Rahul C. Kirloskar have pledged 1,420,000 (0.73%), 600,000 (0.31%) and 1,370,000 (0.71%) equity shares of Kirloskar Industries Limited (erstwhile Kirloskar Oil Engines Limited) respectively prior to becoming effective of the Scheme of Arrangement. On the issue and allotment of shares pursuant to the said Scheme, the pledged shares of the aforesaid promoters of the Company are 1,065,000 (0.73%), 450,000 (0.31%) and 1,027,500 (0.71%) respectively.
- 8 There are no investor complaints during the current quarter.
- 9 Previous year figures are for the period 12 January 2009 to 31 March 2010

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

Place : Pune
Date : 26th July, 2010

For Kirloskar Oil Engines Limited



Gautam A. Kulkarni
Joint Managing Director



KIRLOSKAR OIL ENGINES LIMITED

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED,
AS PER CLAUSE 41 OF THE LISTING AGREEMENT**

(Rs. In Lakhs)

Particulars	Quarter ended		Period ended
	Unaudited	Unaudited	Audited
	30-06-2010	30-06-2009	31-03-2010
1 Segment Revenue			
a Engines	54,163	45,107	214,494
b Others	3,239	2,783	13,031
Total	57,402	47,890	227,525
Less: Inter segment revenue	386	288	1,431
Net Sales / Income from Operations	57,016	47,602	226,094
2 Segment Results			
Profit (+) / Loss (-) before tax and interest from each segment			
a Engines	6,113	4,424	26,427
b Others	401	377	2,390
Total	6,514	4,801	28,817
Less:			
i Interest	652	297	1,364
ii Other Unallocable expenditure net off unallocable income	(494)	98	1,107
Total Profit Before Tax	6,356	4,406	26,346
3 Capital Employed (Segment assets - Segment liabilities)			
a Engines	74,601	64,598	77,028
b Others	30,138	21,559	21,206
Total capital employed	104,739	86,157	98,234

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Gautam A. Kulkarni
Joint Managing Director

