

KIRLOSKAR OIL ENGINES LIMITED

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2011

(Rs In Lakhs)

Particulars	Quarter ended		Year ended	
	31-03-2011	31-03-2010	31-03-2011	31-03-2010
	Unaudited	Unaudited	Audited	Audited
1 a) Net Sales	59,657	60,325	236,298	221,850
b) Other Operating Income	1,911	1,581	5,400	4,244
2 Total Operating Income	61,568	61,906	241,698	226,094
3 Expenditure				
a) (Increase) / decrease in stock in trade and work in progress	905	705	(316)	(428)
b) Consumption of raw materials	32,851	33,938	134,518	121,063
c) Purchase of traded goods	2,336	1,973	9,023	15,262
d) Employees cost	4,602	1,512	17,892	12,939
e) Depreciation	2,124	1,990	8,485	8,399
f) Other Expenditure	12,544	12,040	46,712	41,972
g) Total Expenditure (a to f)	55,362	52,158	216,314	199,207
4 Profit from Operations before Other Income, Interest and Exceptional Items (2-3)	6,206	9,748	25,384	26,887
5 Other Income	719	227	1,839	823
6 Profit before Interest and Exceptional Items (4+5)	6,925	9,975	27,223	27,710
7 Interest	499	285	2,456	1,364
8 Profit after Interest but before Exceptional Items (6-7)	6,426	9,690	24,767	26,346
9 Exceptional Items - (Expenses) / Income (Refer note 5)	211	-	(373)	-
10 Profit(+) / Loss(-) from Ordinary Activities before tax (8+9)	6,637	9,690	24,394	26,346
11 Tax Expenses	1,876	3,734	7,021	9,944
12 Net Profit (+)/ Loss (-) from Ordinary Activities after tax (10-11)	4,761	5,956	17,373	16,402
13 Extraordinary Items (net of tax expense)	-	-	-	-
14 Net Profit(+)/ Loss(-) for the period (12-13)	4,761	5,956	17,373	16,402
15 Paid-up Equity Share Capital (Refer note 2) (Face value of Rs 2 each)	2,913	2,913	2,913	2,913
16 Reserves excluding revaluation reserves as per balance sheet of previous accounting year			86,028	65,128
17 Basic and diluted EPS (Rs.) Before and After Extraordinary items for the period, for the year to date and for the previous year (not annualized)	3.27	4.09	11.93	11.26
18 Public Shareholding				
- Number of Shares	54,796,438	54,799,248	54,796,438	54,799,248
- Percentage of shareholding	37.63	37.63	37.63	37.63
19 Promoters and promoter group Shareholding				
a) Pledged / Encumbered				
- Number of Shares (Refer note 7)	NIL	2,542,500	NIL	2,542,500
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	2.80	NIL	2.80
- Percentage of shares (as a % of the total share capital of the company)	NIL	1.75	NIL	1.75
b) Non-encumbered				
- Number of Shares	90,832,847	88,287,537	90,832,847	88,287,537
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	97.20	100.00	97.20
- Percentage of shares (as a % of the total share capital of the company)	62.37	60.62	62.37	60.62

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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		Year ended	
	31-03-2011	31-03-2010	31-03-2011	31-03-2010
	Unaudited	Unaudited	Audited	Audited
1 Segment Revenue				
a Engines	57,826	58,599	228,216	214,494
b Others	4,120	3,715	15,038	13,031
Total	61,946	62,314	243,254	227,525
Less: Inter segment revenue	378	408	1,556	1,431
Net Sales / Income from Operations	61,568	61,906	241,698	226,094
2 Segment Results				
Profit (+) / Loss (-) before tax and interest from each segment				
a Engines	6,922	9,996	25,261	26,565
b Others	242	842	1,426	2,397
Total	7,164	10,838	26,687	28,962
Less:				
i Interest	499	285	2,456	1,364
ii Other Unallocable expenditure net off unallocable income	28	863	(163)	1,252
Total Profit Before Tax	6,637	9,690	24,394	26,346
3 Capital Employed (Segment assets - Segment liabilities)				
a Engines	82,704	77,029	82,704	77,029
b Others	34,369	21,206	34,369	21,206
Total capital employed	117,073	98,235	117,073	98,235

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

Place: Pune
Date: 13th May, 2011

For Kirloskar Oil Engines Limited


Gautam A. Kulkarni
Joint Managing Director

Contd...3

Notes :

1 Disclosure of assets and liabilities as per clause 41 (l) (ea) of the listing agreement for the year ended 31 March 2011

(Rs In Lakhs)

Particulars	Year ended	
	31-03-2011	31-03-2010
	Audited	Audited
Shareholders' Funds :		
(a) Capital	2,913	2,913
(b) Reserves and Surplus	86,028	65,128
Sub Total (a to b)	88,941	68,041
Loan Funds	24,899	26,961
Deferred Tax Adjustment (Net)	3,233	3,233
TOTAL	117,073	98,235
Fixed Assets	60,995	57,505
Investments	29,775	20,009
Current Assets, Loans and Advances		
(a) Inventories	13,856	14,030
(b) Sundry Debtors	38,170	38,544
(c) Cash and Bank balances	2,294	6,366
(d) Other Current Assets	16,244	7,109
(e) Loans and Advances	11,975	11,997
Sub Total (a to e)	82,539	78,046
Less: Current Liabilities and Provisions		
(a) Liabilities	40,086	41,831
(b) Provisions	16,150	15,494
Sub Total (a to b)	56,236	57,325
Net Current Assets	26,303	20,721
Miscellaneous Expenditure (to the extent not written off or adjusted)	-	-
Profit and Loss Account	-	-
TOTAL	117,073	98,235

2 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 31 March 2011 have been drawn up considering effects of the Scheme.

3 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.

4 The Board of Directors approved the hive off of the Bearing Business Division (BBD) consisting of two units located at Pune and Ahmednagar (except for land and buildings at Khadki and Ahmednagar) at its meeting held on 21 October 2010.

Pursuant to the aforesaid Board resolution, the management of Kirloskar Oil Engines Limited held negotiations with the management of KSPG Automotive India Private Limited (KSPG India) and agreed on the terms of the Business Transfer Agreement (BTA). The Board of Directors approved the draft BTA for the slump sale of the BBD on a going concern basis for a lumpsum consideration of Rs. 8700 Lakhs payable on Completion Date, subject to obtaining approval of shareholders, lenders, and other third party consents. The Company has obtained shareholder approval through postal ballot. The results of the postal ballot were announced on 31 March 2011. The Company has also obtained approval of its lenders for the hive off of the BBD. The Company expects to complete the transaction during the financial year 2011-12, after obtaining other third party approvals and consents and complying with the requirements of the BTA.

5 Exceptional items, net, represents :

a) A gain of Rs. 211 Lakhs for the quarter and a loss of Rs. 1143 Lakhs for the year on valuation in respect of outstanding Derivative Instruments taken by the company, intended to serve as a hedge, against highly probable forecast transactions, which on testing are ineffective due to the volatility in the foreign exchange rates, is now recognised in the Profit and Loss Account.

b) Write back of depreciation Rs. Nil for the quarter (Rs. 770 Lakhs for the year) in view of change in method of computing depreciation in respect of Electrical Installation and Aircraft, from written down value to straight line basis.

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. 713 Lakhs being eligible exchange difference gain (Rs. 1427 Lakhs loss for the year) has been adjusted in the cost of the assets.

7 Mr. Atul C. 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. The pledge on these shares was revoked on 29 December 2010.

8 Company received 2 complaints from investors during the current quarter. All complaints have been resolved. No complaint is pending at the quarter end.

9 Previous year figures are for the period 12 January 2009 to 31 March 2010

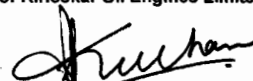
10 The Board of Directors has recommended a final dividend of Rs. 4 per equity share of Rs. 2 each (200%).

11 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 13 May 2011.

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Khadki, Pune - 411 003

Place : Pune
Date : 13th May, 2011

For Kirloskar Oil Engines Limited


Gautam A. Kulkarni
Joint Managing Director