

## KIRLOSKAR OIL ENGINES LIMITED

## UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2011

( ₹ in Lakhs )

Particulars		Quarter ended		Year ended
		30-06-2011	30-06-2010	31-03-2011
		Unaudited	Unaudited	Audited
1	a) Net Sales	55,498	56,291	236,298
	b) Other Operating Income	1,103	725	5,400
2	<b>Total Operating Income</b>	<b>56,601</b>	<b>57,016</b>	<b>241,698</b>
3	<b>Expenditure</b>			
	a) (Increase) / decrease in stock in trade and work in progress	(2,692)	(1,285)	(316)
	b) Consumption of raw materials	32,587	32,898	134,518
	c) Purchase of traded goods	2,458	2,477	9,023
	d) Employees cost	4,781	4,350	17,892
	e) Depreciation	2,230	2,071	8,485
	f) Other Expenditure	10,850	9,830	46,712
	g) Total Expenditure (a to f)	50,214	50,341	216,314
4	<b>Profit from Operations before Other Income, Interest and Exceptional Items (2-3)</b>	<b>6,387</b>	<b>6,675</b>	<b>25,384</b>
5	<b>Other Income</b>	<b>611</b>	<b>463</b>	<b>1,839</b>
6	<b>Profit before Interest and Exceptional Items (4+5)</b>	<b>6,998</b>	<b>7,138</b>	<b>27,223</b>
7	<b>Interest</b>	<b>592</b>	<b>652</b>	<b>2,456</b>
8	<b>Profit after Interest but before Exceptional Items (6-7)</b>	<b>6,406</b>	<b>6,486</b>	<b>24,767</b>
9	<b>Exceptional Items - (Expenses) / Income</b>	<b>-</b>	<b>(130)</b>	<b>(373)</b>
10	<b>Profit(+)/ Loss(-) from Ordinary Activities before tax (8+9)</b>	<b>6,406</b>	<b>6,356</b>	<b>24,394</b>
11	<b>Tax Expenses</b>	<b>2,060</b>	<b>2,094</b>	<b>7,021</b>
12	<b>Net Profit (+)/ Loss (-) from Ordinary Activities after tax (10-11)</b>	<b>4,346</b>	<b>4,262</b>	<b>17,373</b>
13	<b>Extraordinary Items (net of tax expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>
14	<b>Net Profit(+)/ Loss(-) for the period (12-13)</b>	<b>4,346</b>	<b>4,262</b>	<b>17,373</b>
15	<b>Paid-up Equity Share Capital</b> (Face value of Rs 2 each)	<b>2,913</b>	<b>2,913</b>	<b>2,913</b>
16	<b>Reserves excluding revaluation reserves as per balance sheet of previous accounting year</b>			<b>86,028</b>
17	<b>Basic and diluted EPS (Rs.)</b> Before and After Extraordinary items for the period and for the previous year (not annualized)	<b>2.98</b>	<b>2.93</b>	<b>11.93</b>
18	<b>Public Shareholding</b>			
	- Number of Shares	54,796,438	54,799,248	54,796,438
	- Percentage of shareholding	37.63	37.63	37.63
19	<b>Promoters and promoter group Shareholding</b>			
	a) Pledged / Encumbered			
	- Number of Shares (Refer note 2)	NIL	2,542,500	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	2.80	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	1.75	NIL
	b) Non-encumbered			
	- Number of Shares	90,832,847	88,287,537	90,832,847
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	97.20	100.00
	- Percentage of shares (as a % of the total share capital of the company)	62.37	60.62	62.37

Contd...2

## Notes :

- 1 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 Pune and Ahmednagar) at its meeting held on 21st 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 ₹ 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 31st March 2011. The Company has also obtained approval of its lenders for the hive off of the BBD. Now Company has also executed BTA with KSPG India on 20th May 2011. 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.
- 2 Mr. Atul C. Kirloskar, Mr. Gautam A. Kulkarni and Mr. Rahul C. Kirloskar had 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 29th December 2010.
- 3 Pursuant to acquisition of shares of the Company by Kirloskar Brothers Investments Limited (KBIL) from the Promoters of the Company through Interse transfer of shares amongst the Group through Market, the share holding of KBIL in the Company with effect from 24th May 2011 has been increased to 41.84%. Pooja Credits Private Limited (PCPL), which is a wholly owned subsidiary of KBIL, holds 8.76% in the Company. Taken together, KBIL alongwith PCPL holds 50.60% in the Company. Consequently, in terms of section 4(3)(b)(ii) read with section 4(3)(d) of the Companies Act, 1956, the Company has become a subsidiary company of KBIL with effect from 24th May 2011.
- 4 Company received 4 complaints from investors during the current quarter. All complaints have been resolved. No complaint is pending at the quarter end.
- 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 21st July 2011.

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

Place : Pune  
Date : 21st July, 2011

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**

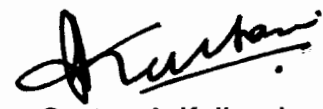
( ₹ in Lakhs )

Particulars	Quarter ended		Year ended
	30-06-2011	30-06-2010	31-03-2011
	Unaudited	Unaudited	Audited
<b>1 Segment Revenue</b>			
a Engines	53,443	54,163	228,216
b Others	3,624	3,239	15,038
<b>Total</b>	<b>57,067</b>	<b>57,402</b>	<b>243,254</b>
Less: Inter segment revenue	466	386	1,556
<b>Net Sales / Income from Operations</b>	<b>56,601</b>	<b>57,016</b>	<b>241,698</b>
<b>2 Segment Results</b>			
Profit (+) / Loss (-) before tax and interest from each segment			
a Engines	6,692	6,157	25,261
b Others	188	403	1,426
<b>Total</b>	<b>6,880</b>	<b>6,560</b>	<b>26,687</b>
<b>Less:</b>			
i Interest	592	652	2,456
ii Other Unallocable expenditure net off unallocable income	(118)	(448)	(163)
<b>Total Profit Before Tax</b>	<b>6,406</b>	<b>6,356</b>	<b>24,394</b>
<b>3 Capital Employed</b> (Segment assets - Segment liabilities)			
a Engines	88,771	74,601	82,704
b Others	32,028	30,138	34,369
<b>Total capital employed</b>	<b>120,799</b>	<b>104,739</b>	<b>117,073</b>

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For Kirloskar Oil Engines Limited

Place: Pune  
Date: 21st July, 2011



Gautam A. Kulkarni  
Joint Managing Director