

KIRLOSKAR OIL ENGINES LIMITED

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

(Rs In Lakhs)

Particulars	Quarter ended		Half year ended		Period ended
	30-09-2010	30-09-2009	30-09-2010	30-09-2009	31-03-2010
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 a) Net Sales	62,875	57,328	119,166	104,100	221,850
b) Other Operating Income	1,386	838	2,111	1,668	4,244
2 Total Operating Income	64,261	58,166	121,277	105,768	226,094
3 Expenditure					
a) (Increase) / decrease in stock in trade and work in progress	46	(326)	(1,239)	(1,098)	(428)
b) Consumption of raw materials	35,626	30,964	68,524	55,054	121,063
c) Purchase of traded goods	2,040	4,517	4,517	10,486	15,262
d) Employees cost	4,454	3,896	8,804	7,447	12,939
e) Depreciation	2,038	2,248	4,109	4,144	8,399
f) Other Expenditure	12,881	11,002	22,549	19,327	41,972
g) Total Expenditure (a to f)	57,085	52,301	107,264	95,360	199,207
4 Profit from Operations before Other Income, Interest and Exceptional Items (2-3)	7,176	5,865	14,013	10,408	26,887
5 Other Income	247	205	548	365	823
6 Profit before Interest and Exceptional Items (4+5)	7,423	6,070	14,561	10,773	27,710
7 Interest	739	406	1,391	703	1,364
8 Profit after Interest but before Exceptional Items (6-7)	6,684	5,664	13,170	10,070	26,346
9 Exceptional Items - (Expenses) / Income (Refer note 5)	(765)	-	(895)	-	-
10 Profit(+) / Loss(-) from Ordinary Activities before tax (8+9)	5,919	5,664	12,275	10,070	26,346
11 Tax Expenses	1,503	2,239	3,597	3,624	9,944
12 Net Profit (+) / Loss (-) from Ordinary Activities after tax (10-11)	4,416	3,425	8,678	6,446	16,402
13 Extraordinary Items (net of tax expense)	-	-	-	-	-
14 Net Profit(+) / Loss(-) for the period (12-13)	4,416	3,425	8,678	6,446	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	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, for the year to date and for the previous year (not annualized)	3.03	2.35	5.96	4.43	11.26
18 Public Shareholding					
- Number of Shares	54,799,248	54,799,248	54,799,248	54,799,248	54,799,248
- Percentage of shareholding	37.63	37.63	37.63	37.63	37.63
19 Promoters and promoter group Shareholding					
a) Pledged / Encumbered					
- Number of Shares (Refer note 7)	2,542,500	NIL	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	NIL	2.80
- Percentage of shares (as a % of the total share capital of the company)	1.75	NIL	1.75	NIL	1.75
b) Non-encumbered					
- Number of Shares	88,287,537	90,830,502	88,287,537	90,830,502	88,287,537
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	97.20	100.00	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	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 Lakha)

Particulars	Quarter ended		Half Year ended		Period ended
	30-09-2010	30-09-2009	30-09-2010	30-09-2009	31-03-2010
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Segment Revenue					
a Engines	60,751	55,191	114,913	100,297	214,494
b Others	3,945	3,350	7,185	6,134	13,031
Total	64,696	58,541	122,098	106,431	227,525
Less: Inter segment revenue	435	375	821	663	1,431
Net Sales / Income from Operations	64,261	58,166	121,277	105,768	226,094
2 Segment Results					
Profit (+) / Loss (-) before tax and interest from each segment					
a Engines	6,380	5,642	12,537	10,065	26,565
b Others	429	684	833	1,062	2,397
Total	6,809	6,326	13,370	11,127	28,962
Less:					
i Interest	739	406	1,391	703	1,364
ii Other Unallocable expenditure net off unallocable income	151	256	(296)	354	1,252
Total Profit Before Tax	5,919	5,664	12,275	10,070	26,346
3 Capital Employed (Segment assets - Segment liabilities)					
a Engines	81,786	69,337	81,786	69,337	77,029
b Others	31,092	22,739	31,092	22,739	21,206
Total capital employed	112,878	92,076	112,878	92,076	98,235

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

Place: Pune
Date: 21st October 2010



For Kirloskar Oil Engines Limited

Gautam A. Kulkarni
Joint Managing Director

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Notes :

1 Disclosure of assets and liabilities as per clause 41 (l) (ea) of the listing agreement for the half year ended 30th September 2010

Particulars	Half year ended		Period ended
	30-09-2010	30-09-2009	31-03-2010
	Unaudited	Unaudited	Audited
(Rs In Lakhs)			
Shareholders' Funds :			
(a) Capital	2,913	2,913	2,913
(b) Reserves and Surplus	79,890	56,243	65,128
Sub Total (a to b)	82,803	59,156	68,041
Loan Funds	27,425	30,335	26,961
Deferred Tax Adjustment (Net)	2,650	2,585	3,233
TOTAL	112,878	92,076	98,235
Fixed Assets	58,332	60,624	57,505
Investments	18,864	19,604	20,009
Current Assets, Loans and Advances			
(a) Inventories	16,602	16,000	14,030
(b) Sundry Debtors	40,691	33,437	38,544
(c) Cash and Bank balances	1,099	4,152	6,366
(d) Other Current Assets	11,912	4,532	7,413
(e) Loans and Advances	13,143	6,124	11,692
Sub Total (a to e)	83,447	64,245	78,045
Less: Current Liabilities and Provisions			
(a) Liabilities	39,917	44,573	43,454
(b) Provisions	7,848	7,824	13,870
Sub Total (a to b)	47,765	52,397	57,324
Net Current Assets	35,682	11,848	20,721
Miscellaneous Expenditure (to the extent not written off or adjusted)	-	-	-
Profit and Loss Account	-	-	-
TOTAL	112,878	92,076	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 30 September 2009 have been drawn up considering effects of the Scheme.

3 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.

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 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 Company has also received approval dated 13 October 2010 from Securities Exchange Board of India (SEBI) for relaxation of Rule 19(2)(b) of the Securities Contracts (Regulations) Rules, 1957 on 18 October 2010. The Company is in process of obtaining trading permission from BSE and NSE.

5 Exceptional items, net, represents :

a) Rs 765 Lakhs for the quarter and Rs 1665 Lakhs for the half year, being the valuation losses, in respect of some of the Derivative Instruments taken by the company, intended to serve as a hedge, against highly probable forecast transactions, which on testing are likely to be ineffective due to the volatility in the foreign exchange rates, are now recognised in the Profit and Loss Account.

b) Write back of depreciation Rs. Nil for the quarter (Rs. 770 Lakhs for the half 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.

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- 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. 210 Lakhs being eligible exchange difference loss (Rs. 1294 Lakhs loss for the half year) 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 Company received 6 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 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 21 October 2010 and are subjected to a " Limited Review " by the Statutory Auditors.

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

Place : Pune
Date : 21st October, 2010



For Kirloskar Oil Engines Limited

A handwritten signature in black ink, appearing to read "Gautam A. Kulkarni".

Gautam A. Kulkarni
Joint Managing Director