



G. D. Apte & Co.

Chartered Accountants

Limited Review Report

**Review Report to
The Board of Directors
Kirloskar Industries Limited
13A, Karve Road, Kothrud
Pune – 411 038**

We have reviewed the accompanying statement of unaudited financial results of Kirloskar Industries Limited ('the Company') for the quarter ended September 30, 2014 ('the Statement') except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. The statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialed by us for identification purposes. 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 the Statement 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 the Independent Auditor 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 Statement is 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.

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 recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", [notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) which continue to apply under Section 133 of the Companies Act, 2013] and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

G. D. Apte

For G. D. Apte & Co.
Chartered Accountants
Firm registration Number: 100 515W

U.S. Abhyankar

(U.S. Abhyankar)
Partner
Membership Number: 113053
Pune, October 16, 2014



CIN No.: L28112PN1978PLC088872

Regd. Office: 13/A, Karve Road, Kothrud, Pune-411038 (India), Phone: +91-020-25452721 Telefax: +91(0)20-25454723

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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2014
PART I

Statement of Standalone Unaudited Financial Results for the quarter and half year ended 30 September 2014							(₹ in Lakhs)
Particulars	Quarter ended			Half Year ended		Year ended	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
	30-09-2014	30-06-2014	30-09-2013	30-09-2014	30-09-2013	31-03-2014	
1 Income from operations:							
a) Income from operations	274	230	513	504	887	1,338	
b) Other Operating Income	-	-	-	-	-	-	
Total Income from operations (net)	274	230	513	504	887	1,338	
2 Expenses:							
a) Cost of materials consumed	-	-	-	-	-	-	
b) Purchases of stock in trade	-	-	-	-	-	-	
c) Changes in Inventories of finished goods, work-in-progress and stock in trade	-	-	-	-	-	-	
d) Employee benefits expense	23	25	14	48	41	90	
e) Depreciation and amortization expense/(reversal) (Refer Note 4)	(28)	76	77	48	155	307	
f) Other Expenses:							
- Operation and Maintenance charges	39	37	49	76	80	158	
- Cost of Renewable Energy Credit	-	-	1	-	1	4	
- Security charges	56	57	54	113	108	228	
- Selling, Administrative and Other expenses	71	32	39	103	76	184	
Total Expenses	161	227	234	388	461	971	
3 Profit from Operations before Other Income, finance costs and exceptional Items (1-2)	113	3	279	116	426	367	
4 Other Income	3,098	588	3,288	3,686	3,871	5,040	
5 Profit from ordinary activities before finance costs and exceptional items (3 + 4)	3,211	591	3,567	3,802	4,297	5,407	
6 Finance costs	-	-	-	-	-	-	
7 Profit after finance costs but before Exceptional Items (5-6)	3,211	591	3,567	3,802	4,297	5,407	
8 Exceptional Items - (Expenses) / Income	-	-	-	-	-	-	
9 Profit(+) / Loss(-) from Ordinary Activities before tax (7+8)	3,211	591	3,567	3,802	4,297	5,407	
10 Tax Expenses	191	186	268	377	449	740	
11 Net Profit (+)/ Loss (-) from Ordinary Activities after tax (9-10)	3,020	405	3,299	3,425	3,848	4,667	
12 Extraordinary Items (net of tax expense)	-	-	-	-	-	-	
13 Net Profit(+)/ Loss(-) for the period (11-12)	3,020	405	3,299	3,425	3,848	4,667	
14 Paid-up Equity Share Capital (Face value of ₹ 10 each)	971	971	971	971	971	971	
15 Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	-	-	65,941	
16 Basic and diluted EPS (₹) Before and After Extraordinary Items for the period and for the previous year (not annualized)	31.11	4.17	33.98	35.28	39.63	48.06	

PART II

A. PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
- Number of Shares	26,56,585	26,56,585	32,05,426	26,56,585	32,05,426	29,02,643
- Percentage of shareholding	27.36	27.36	33.02	27.36	33.02	29.90
2 Promoters and promoter group Shareholding						
a) Pledged / Encumbered						
- Number of Shares	-	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-
b) Non-encumbered						
- Number of Shares	70,52,034	70,52,034	65,03,193	70,52,034	65,03,193	68,05,976
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	72.64	72.64	66.98	72.64	66.98	70.10

PARTICULARS		30-09-2014
B Investor Complaints:		
Pending at the beginning of the quarter		-
Received during the quarter		-
Disposed off during the quarter		-
Remaining unresolved at the end of the quarter		-



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 16 October 2014 and a Limited Review of the same has been carried out by the Statutory Auditors.

2 Disclosure of assets and liabilities as per Clause 41 (I) (ea) of the Listing Agreement for the half year ended 30 September 2014

Particulars		(₹ In Lakhs)	
		Half Year ended 30-09-2014 Unaudited	Year ended 31-03-2014 Audited
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital			
(b) Reserves and surplus			
		971	971
		69,330	65,941
Sub-total shareholders' funds:		70,301	66,912
2 Non-current liabilities			
(a) Other Long term liabilities			
(b) Long-term provisions			
		20	1,112
		50	47
Sub-total non-current liabilities:		70	1,159
3 Current liabilities			
(a) Trade Payables			
(b) Other current liabilities			
(c) Short-term provisions			
		53	7
		1,337	195
		21	453
Sub-total current liabilities:		1,411	655
Total- Equity and Liabilities		71,782	68,726
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
- Tangible assets			
- Intangible assets			
		673	700
(b) Non-current investments			
		59,741	59,791
(c) Long-term loans and advances			
		667	799
(d) Other non-current assets			
		-	-
Sub-total non-current assets:		61,081	61,290
2 Current assets			
(a) Current investments			
(b) Inventories			
(c) Trade receivables			
(d) Cash and Bank Balances			
(e) Short-term loans and advances			
(f) Other current assets			
		-	-
		2	2
		-	-
		9,856	6,586
		29	51
		814	797
Sub-total current assets:		10,701	7,436
Total Assets		71,782	68,726



3 Income from operations- Windmill:-

MSEDCL, in response to the application for NOC made on 29th March 2014, informed the Company by its letter dated 27th May 2014 (received on 23rd June 2014) that the approval for sale of wind power under Open Access shall be granted with effect from the date of certain compliances by the Open Access Consumer. As such, the revenue from Sale of Wind Power for the quarter and half year ended September 30, 2014 has been accounted for at an estimated rate at which MSEDCL shall purchase the wind power from the open access generators during the intervening period.

4 Schedule II of the Companies Act, 2013 (the 'Act') has prescribed useful life of various block of assets. During the quarter, the Company has obtained technical certification of the useful lives of fixed assets, wherever applicable and depreciation has been charged based on such useful life. In order to comply with the Act, Rs 35 lakhs, being the written down value of assets having no useful life as at 1st April 2014 has been adjusted against the retained earnings. As a consequence of such revision, the depreciation for the quarter and six months ending 30th September 2014 is lower by Rs 104 lakhs as compared to the depreciation which was hitherto being accounted for under the Companies Act 1956.

5 As per the Audited Financial Statements for the Financial Year 2012-13, the financial assets of the Company are more than 50% of its total assets but its income from the financial assets is less than 50% of its total income. This status remains unchanged based on Audited Financial Statements for the Financial Year 2013-14. Consequently, the Company is declassified as Non-Banking Financial Company (NBFC) - Core Investment Company (CIC) with effect from 1 April 2013. The Company has communicated the same to the Reserve Bank of India (RBI) vide its letter dated 8 October 2013. No communication in this regard has been received by the Company from RBI till date.

6 Previous year's / period's figures have been reclassified wherever necessary, to conform to the current year's / period's grouping.

Registered Office:
13 - A, Karve Road
Kothrud, Pune 411038
Place : Pune
Date : 16 October 2014



For Kirloskar Industries Limited

Aditi V. Chimule

Aditi V. Chimule
Executive Director



KIRLOSKAR INDUSTRIES LIMITED

A Kirloskar Group Company

CIN No.: L29112PN1978PLC088972

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

Particulars	Quarter ended			Half Year ended		(₹ In Lakhs)
	30-09-2014	30-06-2014	30-09-2013	30-09-2014	30-09-2013	Year ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	31-03-2014 Audited
1 Segment Revenue						
a - Wind power generation	74	69	349	143	546	680
b - Investments (Securities & Properties)	3,298	749	3,433	4,047	4,192	5,676
Total	3,372	818	3,782	4,190	4,738	6,356
Less: Inter segment revenue	-	-	-	-	-	-
Net Sales / Income from Operations	3,372	818	3,782	4,190	4,738	6,356
2 Segment Results						
Profit (+) / Loss (-) before tax and interest from each segment						
a - Wind power generation (Refer Note 4)	73	(45)	229	28	318	211
b - Investments (Securities & Properties)	3,139	637	3,319	3,776	3,961	5,184
Total	3,212	592	3,548	3,804	4,279	5,395
Less:						
i Interest	-	-	-	-	-	-
ii Other Unallocable (income)/ expenditure net off unallocable income/ (expenditure)	1	1	(19)	2	(18)	(12)
Total Profit Before Tax	3,211	591	3,567	3,802	4,297	5,407
3 Capital Employed (Segment assets - Segment liabilities)						
a - Wind power generation	656	856	1,224	656	1,224	1,098
b - Investments (Securities & Properties)	68,995	66,143	64,513	68,995	64,513	65,430
c - Unallocable corporate assets less liabilities	650	318	743	650	743	384
Total capital employed	70,301	67,317	66,480	70,301	66,480	66,912

Note:

Wind power generation business is subject to seasonal variations in winds, hence the results for the period are not necessarily comparable with the results of the previous periods' / full year's performance.

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For Kirloskar Industries Limited

Aditi Chirmule
Executive Director

