



KIRLOSKAR OIL ENGINES LIMITED

Enriching Lives

21 October 2011

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai – 400051.

Dear Sir/Madam,

Ref: Stock Code KIRLOSOENG

This is to inform you of the following:

1. Pursuant to Clause 41 of the Listing Agreement:

The un-audited financial results of the Company for the quarter and half year ended 30 September 2011 were approved by the Board of Directors in its meeting held on 21 October 2011. A copy of the same is enclosed herewith. A copy of Limited Review Report dated 21 October 2011, received from M/s P. G. Bhagwat, Chartered Accountants, Statutory Auditors of the Company, is also enclosed herewith.

2. Pursuant to Clause 36 of the Listing Agreement:

Further to the approval of the Board of Directors in its meeting held on 21 October 2010 for shifting of K-series Engines manufacturing activity from Silvassa plant to Kagal plant, Kolhapur, the Board of Directors, in its meeting held today, has noted shifting of the said manufacturing activity to Kagal Plant with effect from 31 August 2011.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For Kirloskar Oil Engines Limited

Smita Raichurkar
Asst. Company Secretary

Encl: As above.

Board of Directors,
Kirloskar Oil Engines Ltd.
Laxmanrao Kirloskar Road,
Khadki, Pune - 411 003

REVIEW REPORT

We have reviewed the accompanying statement of unaudited financial results of Kirloskar Oil Engines Ltd. for the period ended 30th September 2011 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 audited by us. 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 these financial statements based on our review.

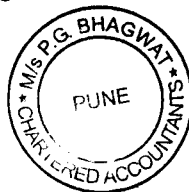
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are 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 applicable accounting standards 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.

For M/s. P. G. Bhagwat
Chartered Accountants
F.R. No - 101118W



Nachiket Deo
Partner
M.No. 117695
Pune: 21st October 2011



KIRLOSKAR OIL ENGINES LIMITED

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

(₹ in Lakhs)

Particulars	Quarter ended		Half year ended		Year ended
	30-09-2011	30-09-2010	30-09-2011	30-09-2010	31-03-2011
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 a) Net Sales	56,136	62,875	111,650	119,166	236,419
b) Other Operating Income	1,688	1,386	2,775	2,111	5,279
2 Total Operating Income	57,824	64,261	114,425	121,277	241,698
3 Expenditure					
a) (Increase) / decrease in stock in trade and work in progress	2,335	46	(357)	(1,239)	(316)
b) Consumption of raw materials	28,921	35,550	61,334	68,443	133,857
c) Purchase of traded goods	2,593	2,040	5,051	4,517	9,023
d) Employees cost	4,704	4,454	9,485	8,804	17,892
e) Depreciation	2,422	2,038	4,652	4,109	8,485
f) Other Expenditure	12,054	12,975	23,078	22,810	47,373
g) Total Expenditure (a to f)	53,029	57,103	103,243	107,444	216,314
4 Profit from Operations before Other Income, Interest and Exceptional Items (2-3)	4,795	7,158	11,182	13,833	25,384
5 Other Income	669	264	1,280	727	1,839
6 Profit before Interest and Exceptional Items (4+5)	5,464	7,422	12,462	14,560	27,223
7 Interest	674	739	1,266	1,391	2,456
8 Profit after Interest but before Exceptional Items (6-7)	4,790	6,683	11,196	13,169	24,767
9 Exceptional Items - (Expenses) / Income (Refer note 2)	4,415	(764)	4,415	(894)	(373)
10 Profit(+) / Loss(-) from Ordinary Activities before tax (8+9)	9,205	5,919	15,611	12,275	24,394
11 Tax Expenses	3,525	1,503	5,585	3,597	7,021
12 Net Profit (+)/ Loss (-) from Ordinary Activities after tax (10-11)	5,680	4,416	10,026	8,678	17,373
13 Extraordinary Items (net of tax expense)	-	-	-	-	-
14 Net Profit(+)/ Loss(-) for the period (12-13)	5,680	4,416	10,026	8,678	17,373
15 Paid-up Equity Share Capital (Face value of ₹ 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					86,028
17 Basic and diluted EPS (₹) Before and After Extraordinary items for the period, for the year to date and for the previous year (not annualized)	3.90	3.03	6.88	5.96	11.93
18 Public Shareholding					
- Number of Shares	54,761,181	54,799,248	54,761,181	54,799,248	54,796,438
- Percentage of shareholding	37.60	37.63	37.60	37.63	37.63
19 Promoters and promoter group Shareholding					
a) Pledged / Encumbered					
- Number of Shares (Refer note 5)	NIL	2,542,500	NIL	2,542,500	NIL
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	2.80	NIL	2.80	NIL
- Percentage of shares (as a % of the total share capital of the company)	NIL	1.75	NIL	1.75	NIL
b) Non-encumbered					
- Number of Shares	90,868,104	88,287,537	90,868,104	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	97.20	100.00
- Percentage of shares (as a % of the total share capital of the company)	62.40	60.62	62.40	60.62	62.37



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Notes :

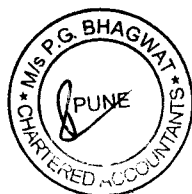
1 Disclosure of assets and liabilities as per clause 41 (l) (ea) of the listing agreement for the half year ended 30th September 2011

Particulars	Half year ended		Year ended
	30-09-2011	30-09-2010	31-03-2011
	Unaudited	Unaudited	Audited
Shareholders' Funds :			
(a) Capital	2,913	2,913	2,913
(b) Reserves and Surplus	96,899	79,890	86,028
Sub Total (a to b)	99,812	82,803	88,941
Loan Funds	27,855	27,425	24,899
Deferred Tax Adjustment (Net)	3,382	2,650	3,233
TOTAL	131,049	112,878	117,073
Fixed Assets	60,540	58,332	60,995
Investments	40,908	18,864	29,775
Current Assets, Loans and Advances			
(a) Inventories	15,691	16,602	13,856
(b) Sundry Debtors	29,964	40,691	38,170
(c) Cash and Bank balances	3,867	1,099	2,294
(d) Other Current Assets	11,406	11,912	16,244
(e) Loans and Advances	11,822	13,143	11,975
Sub Total (a to e)	72,750	83,447	82,539
Less: Current Liabilities and Provisions			
(a) Liabilities	35,058	39,917	40,086
(b) Provisions	8,091	7,848	16,150
Sub Total (a to b)	43,149	47,765	56,236
Net Current Assets	29,601	35,682	26,303
Miscellaneous Expenditure (to the extent not written off or adjusted)	-	-	-
Profit and Loss Account	-	-	-
TOTAL	131,049	112,878	117,073

- 2 Pursuant to Business Transfer Agreement (BTA) dated 20th May 2011 between the Company and KSPG Automotive India Private Limited, the purchase consideration of ₹ 8700 Lakhs was received on 29th September 2011 and the slump sale of Bearings Business Division was completed on 30th September 2011. Accordingly, the profit on sale of undertaking amounting to ₹ 4415 Lakhs is reported in the results of the quarter ended 30th September 2011. The profit on sale of undertaking is subject to change on account of certain post closing adjustments to be carried out in accordance with the terms of the aforesaid BTA and the same will be determined and reported during the second half of financial year ending 31st March 2012
- 3 The company has exercised the option as per Ministry of Corporate Affairs notification dated 31st March 2009 in respect of AS 11. In view of extension of applicability of the said notification vide G.S.R. 378(E) dated 11st May 2011, for the half year ₹ 2232 Lakhs being eligible exchange difference loss has been adjusted in the cost of the assets.
- 4 Figures for the previous periods have been regrouped wherever required.
- 5 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.
- 6 No complaints received from investors during the current quarter. No complaint is pending at the quarter end.
- 7 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 October 2011 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, 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		Half year ended		Year ended
	30-09-2011	30-09-2010	30-09-2011	30-09-2010	31-03-2011
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Segment Revenue					
a Engines	54,060	60,751	1,07,503	1,14,913	2,28,216
b Others	4,114	3,945	7,738	7,185	15,038
Total	58,174	64,696	1,15,241	1,22,098	2,43,254
Less: Inter segment revenue	350	435	816	821	1,556
Net Sales / Income from Operations	57,824	64,261	1,14,425	1,21,277	2,41,698
2 Segment Results					
Profit (+) / Loss (-) before tax and interest from each segment					
a Engines	5,505	6,380	12,197	12,537	25,261
b Others	(223)	429	(35)	833	1,426
Total	5,282	6,809	12,162	13,370	26,687
Less:					
i Interest	674	739	1,266	1,391	2,456
ii Other Unallocable expenditure net off unallocable income	(4,597)	151	(4,715)	(296)	(163)
Total Profit Before Tax	9,205	5,919	15,611	12,275	24,394
3 Capital Employed (Segment assets - Segment liabilities)					
a Engines	84,231	81,786	84,231	81,786	82,704
b Others	46,818	31,092	46,818	31,092	34,369
Total capital employed	1,31,049	1,12,878	1,31,049	1,12,878	1,17,073

Registered Office:
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Khadki, Pune - 411 003

Place: Pune
Date: 21st October, 2011



For Kirloskar Oil Engines Limited


Gautam A. Kulkarni
Joint Managing Director