

Euro

Particulars		Note No.	Figures as at the end of current reporting period ending on December 31, 2014	Figures as at the end of current reporting period ending on December 31, 2013
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
(a)	Share capital	A-1	6,132,400	6,132,400
(b)	Reserves and surplus	A-2	27,521,967	21,323,311
(c)	Money received against share warrants		-	-
			33,654,367	27,455,711
	Share application money pending allotment		-	-
	Minority Interest Capital	A-2-i	-	-
	Reserves and Surplus		-	-
			-	-
3	Non-current liabilities			
(a)	Long-term borrowings	A-3	6,279,126	3,290,743
(b)	Deferred tax liabilities (Net)	A-4	-	-
(c)	Other long term liabilities		-	-
(d)	Long-term provisions		-	-
			6,279,126	3,290,743
4	Current liabilities			
(a)	Short-term borrowings	A-5	6,309,586	4,221,357
(b)	Trade payables		25,899,953	19,325,063
(c)	Other current liabilities	A-6	10,831,851	12,641,643
(d)	Short-term provisions	A-7	2,199,590	1,434,750
			45,240,981	37,622,813
			85,174,473	68,369,267
II.	ASSETS			
1	Non-current assets			
(a)	Fixed assets			
(i)	Tangible assets	A-8	16,207,095	12,169,295
(ii)	Intangible assets	A-8	1,408,624	12,993
(iii)	Capital work-in-progress		-	577,994
(b)	Non-current investments		-	-
(c)	Deferred tax assets (net)		656,798	147,202
(d)	Long-term loans and advances		42,198	-
(e)	Other non-current assets	A-9	315,832	307,474
			18,630,548	13,214,959
2	Current assets			
(a)	Current investments			
(b)	Inventories	A-10	13,695,830	11,915,239
(c)	Trade receivables	A-11	45,434,463	35,337,984
(d)	Cash and bank balances	A-12	4,880,720	4,275,734
(e)	Short-term loans and advances	A-13	1,410,449	3,348,645
(f)	Other current assets	A-14	1,122,463	276,706
			66,543,925	55,154,308
			85,174,473	68,369,267

As per our report of even date attached
For M/s P.G. Bhagwat
Chartered Accountants

For and on behalf of the Board of Directors

ABHIJEET BHAGWAT
Partner
Place:
Date:

SANJAY KIRLOSKAR
Chairman

JAYANT SAPRE
Director

ALOK KIRLOSKAR
Director

Umesh Shastri
Vice President (Finance)

Kirloskar Brothers International BV
Consolidated Profit and loss statement for year ended December 31, 2014

Euro

Particulars		Note No.	Figures as at the end of current reporting period ending on December 31, 2014	Figures as at the end of current reporting period ending on December 31, 2013
I.	Revenue from operations	A-15	119,274,276	112,730,719
II.	Other income	A-16	1,010,795	492,723
III.	Total Revenue (I + II)		120,285,071	113,223,442
IV.	Expenses:			
	Cost of materials consumed	A-17	66,337,967	55,184,242
	Purchases of Stock-in-Trade		1,831,909	1,361,371
	Changes in inventories of finished goods work-in-progress and	A-18	(2,507,952)	8,668,838
	Employee benefits expense	A-19	25,506,687	22,976,478
	Finance costs	A-20	870,831	842,233
	Depreciation and amortization expense		2,898,300	1,374,466
	Other expenses	A-21	19,557,338	16,091,361
	Total expenses		114,495,080	106,498,989
V.	Profit before exceptional and extraordinary items and tax (III-IV)		5,789,991	6,724,453
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		5,789,991	6,724,453
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII- VIII)		5,789,991	6,724,453
X.	Tax expense:			
	(1) Current tax		1,743,616	1,991,115
	(2) Deferred tax		(335,973)	33,542
	(3) Short provision of income tax on account of earlier years		-	-
			1,407,642	2,024,657
XI.	Profit (Loss) for the period from continuing operations (IX-X)		4,382,349	4,699,797
XII.	Profit/(loss) from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV.	Profit (Loss) for the period (XI + XIV)		4,382,349	4,699,797
XVI.	Minority Interest		-	-
XVII.	Parent Share		4,382,349	4,699,797
XVIII.	Earnings per equity share having nominal value of Euro 100/-			
	(1) Basic		71.46	76.64
	(2) Diluted		71.46	76.64

As per our report of even date attached
For M/s P.G. Bhagwat
Chartered Accountants

For and on behalf of the Board of Directors

SANJAY KIRLOSKAR
Chairman

ALOK KIRLOSKAR
Director

ABHIJEET BHAGWAT
Partner
Place:
Date:

JAYANT SAPRE
Director

Umesh Shastry
Vice President (Finance)

Kirloskar Brothers International BV
Cash flow statement for the year ended December 31, 2014

Euro

	Particulars	Figures for current reporting period ending December 31, 2014	Figures for current reporting period ending December 31, 2013
A	Cash flows from Operating Activities		
	Net Profit before Taxes and Extraordinary Items	5,789,991	6,245,619
	Adjustments for :-		
1	Depreciation / Amortization	2,898,300	1,157,767
2	(Profit)/Loss on sale of Fixed Assets	15,480	(6,638)
3	Provision for Doubtful Debts/Advances	60,166	40,784
4	Interest Income	(82,851)	(18,184)
5	Interest Expenses	870,831	204,260
6	Unrealized exchange (gain)/ Loss - Others	(250,473)	(183,627)
	Operating Profit Before Working capital changes	9,301,444	7,439,981
	Adjustments for :-		
1	(Increase)/ decrease in Inventories	589,637	(6,574,533)
2	(Increase)/ decrease in Trade and Other Receivables	(4,695,010)	1,527,366
3	Increase/ (decrease) in Trade and other payables	(268,856)	3,586,163
	Cash Generated from Operations	4,927,215	5,978,977
4	Income tax (Paid) / refunded	(1,172,857)	(1,911,102)
	Net Cash from Operating Activities	3,754,358	4,067,875
B	Cash flows from Investing Activities		
1	Purchase of Fixed Assets	(5,646,181)	(5,577,837)
2	Sale of Fixed Assets	362,039	86,666
3	(Purchase)/sale of Investments	(910,114)	-
4	Interest Received	(2,332)	19,440
	Net Cash from Investment Activities	(6,196,588)	(5,471,731)
C	Cash Flows from Financing Activities		
1	Proceeds from borrowing	4,754,613	4,563,369
2	Repayment of borrowings	(886,392)	-
3	Interest Paid	(821,006)	(239,404)
4	Proceeds from Share Premium	-	-
	Net Cash used in Financing Activities	3,047,216	4,323,965
	Net Increase in Cash and Cash Equivalents	604,986	2,920,109
1	Cash & Cash Equivalents at beginning of period (refer note part A -15)	4,275,734	1,355,625
2	Add : Due to Acquisition of subsidiary	-	-
3	Cash & Cash Equivalents at end of period (refer note part A - 15)	4,880,720	4,275,734

As per our report of even date attached

For and on behalf of the Board of Directors

For M/s P.G. Bhagwat
Chartered Accountants

SANJAY KIRLOSKAR
Chairman

ALOK KIRLOSKAR
Director

ABHIJEET BHAGWAT
Partner

JAYANT SAPRE
Director

Umesh Shastry
Vice President (Finance)

Place:
Date:

Euro

Particulars	Euro	
	Figures as at the end of current reporting period ending on December 31, 2014	Figures as at the end of current reporting period ending on December 31, 2013
Note : A-1		
Share Capital		
Authorised		
10,000 (10,000) equity shares of Euro 100/- each (Euro 100) each	1,000,000	1,000,000
Issued, subscribed & fully paid up		
1,384 (1,384) equity shares of Euro 100/- each (Euro 100) each	138,400	138,400
58,340 (58,340) equity shares of Euro 100/- each Issued during the year	5,834,000	5,834,000
Issued, subscribed & partly paid up		
2,000 (2,000) equity shares of Euro 100/- each (Euro100) each, Euro 80 (Euro 80) paid Issued during the year	160,000	160,000
Total	6,132,400	6,132,400

a) Reconciliation of share capital

Euro

Particulars	Figures as at the end of current reporting period ending on December 31, 2014		Figures as at the end of current reporting period ending on December 31, 2013	
	Number	Euro	Number	Euro
Shares outstanding at the beginning of the year	3,384	6,132,400	3,384	6,132,400
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	3,384	6,132,400	3,384	6,132,400

b) Details of share holders holding more than 5% shares

Name of the shareholder	Figures as at the end of current reporting period ending on December 31, 2014		Figures as at the end of current reporting period ending on December 31, 2013	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Kirloskar Brothers Ltd	3,384	100%	3,384	100%

Euro

Particulars	Figures as at the end of current reporting period ending on December 31, 2014	Figures as at the end of current reporting period ending on December 31, 2013
Note : A-2		
Reserves & Surplus		
(a) Capital Reserve		
Opening Balance	-	-
Add Current year transfer	-	-
Closing Balance	-	-
(a) Capital Redemption Reserve		
Opening Balance	59,859	59,859
Less Deduction	-	-
Closing Balance	59,859	59,859
(b) Securities Premium Reserve		
Opening Balance	6,075,247	12,209,247
Less Utilised for issuance of shares	-	5,834,000
Less MI interest- of KBE- refer goodwill calculation	-	300,000
Closing Balance	6,075,247	6,075,247
(c) Foreign currency translation reserve		
Opening Balance	(503,122)	633,508
Add Current year transfer	1,816,307	(1,136,630)
Closing balance	1,313,184	(503,122)
(d) Surplus		
Opening Balance	15,691,328	10,969,029
Add Net Profit for the current year	4,382,349	4,699,797
Add Due to transfer / merger of subsidiaries/Acquisition	-	-
Less MI interest- of KBE- refer goodwill calculation	-	(22,502)
Balance available for appropriation	20,073,676	15,691,328
Less Appropriations :		
Proposed dividend	-	-
Tax on dividend	-	-
Sub total	-	-
Closing Balance	20,073,676	15,691,328
TOTAL	27,521,967	21,323,311
Less Minority Interest	-	-
Total Reserves	27,521,967	21,323,311

Note : A-2-i		
Minority Interest		
Capital		
Opening Balance	-	80,000
Less: Purchased during year	-	80,000
Closing Balance	-	-
Reserves and Surplus		
Opening Balance	-	219,348
Add: Share in Current Year Profit	-	56,743
Less: Purchased during year	-	276,091
Closing Balance	-	-
Total Minority Interest	-	-

Note : A-3		
Long Term Borrowings		
Secured		
(a) Term loans from banks	5,519,922	3,133,828
(b) From others		
Long term maturities of finance lease obligations	-	1,755
Unsecured		
(a) From others		
(i) Long term maturities of finance lease obligations	759,204	155,159
(ii) Other long term loans and advances	-	-
TOTAL	6,279,126	3,290,743

Note : A-4		
Deferred Tax Assets / (Liabilities) (Net)		
(a) Deferred Tax Liabilities		
i) On other timing differences	32,111	28,203
Sub Total	32,111	28,203
(b) Deferred Tax Assets		
i) On other timing differences	688,910	175,405
Sub Total	688,910	175,405
NET	656,798	147,202

Euro

Particulars	Figures as at the end of current reporting period ending on December 31, 2014	Figures as at the end of current reporting period ending on December 31, 2013
Note : A-5		
Short Term Borrowings		
Secured		
(a) Loans repayable on demand from banks		
(i) Cash / export Credit facilities	3,225,929	175,780
(ii) Working capital demand Loans	2,776,360	3,805,683
Sub Total	6,002,289	3,981,463
Unsecured		
(a) Other short term loans and advances		
(i) From Other	307,297	239,894
Sub Total	307,297	239,894
TOTAL	6,309,586	4,221,357

Note : A-6		
Other Current Liabilities		
(a) Current maturities of long-term debt	857,389	105,894
(b) Interest accrued but not due on borrowings	111,610	5,421
(c) Other payables		
(i) Gross amount due to customers for project related contract work	-	-
(ii) Advances from customers	1,138,341	1,083,376
(iii) Salary & Reimbursements	1,614,488	1,895,197
(iv) Contribution to social security	818	22,214
(v) Other liabilities	4,152,205	5,603,074
(vi) Provision for expenses	2,956,999	3,926,467
TOTAL	10,831,851	12,641,643

Note : A-7		
Short Term Provisions		
(a) Others		
(i) Proposed dividend	-	-
(ii) Dividend distribution tax	-	-
(iii) Provision for income tax (net of advance tax)	748,400	1,005,245
(iv) Provision for Product Warranty	1,349,351	428,857
(v) Other Short term provisions	101,840	647
TOTAL	2,199,590	1,434,750

Kirloskar Brothers International BV
Notes to Consolidated Accounts: Part A

Euro

Note A-8: Tangible and Intangible Assets	Tangible Assets					Intangible assets		
	Land Free/ Lease Hold	Buildings	Plant & Equipment	Furniture & Fixture & Office Equipments	Vehicles	Goodwill	Computer Software & Other Intangible	Total
Gross Block								
Opening Gross Block as at 01.01.2014	1,882,472	6,151,325	6,270,658	3,822,135	245,539	1,365,184	48,916	1,414,100
Acquired through business	77,124	-	409,169	-	13,225	-	-	-
Additions	83,359	3,189,813	1,962,539	948,185	141,484	242,637	817,212	1,059,849
Deductions	-	358,560	19,594	30	1,986	-	-	-
Exchange Difference	209,567	452,120	400,504	308,870	11,269	-	51,456	51,456
Closing Gross Block (at cost)	2,252,522	9,434,698	9,023,277	5,079,159	409,532	1,607,821	917,583	2,525,404
Accumulated Depreciation								
Opening Accu Dep as at 01.01.2014	-	1,063,598	3,538,789	2,803,168	162,464	-	35,922	35,922
Acquired through business	-	-	-	-	-	-	-	-
Depreciation for the year	-	337,073	1,411,127	39,453	61,845	891,628	157,174	1,048,801
Recouped on Deductions	-	-	827	14	-	-	-	-
Exchange Difference	-	422,777	(488,614)	635,223	6,031	(8,412)	40,469	32,057
Total Accu Depreciation	-	1,823,448	4,460,474	3,477,831	230,340	883,215	233,565	1,116,780
Closing As Per emerge	-	1,823,448	4,460,475	3,477,831	230,340	20,218	233,565	253,783
Net Block	2,252,522	7,611,250	4,562,802	1,601,329	179,192	724,606	684,018	1,408,624

Euro

Note : A-9		
Other Non Current Assets		
(a) Long term trade receivables		
Unsecured, considered good	59,060	67,580
Doubtful	297,519	549,562
	356,579	617,142
Less Provision for doubtful receivables	297,519	549,562
	59,060	67,580
(b) Others		
(i) Fixed deposits with bank of maturity of more than 12 months	256,772	239,894
TOTAL	315,832	307,474

Particulars	Figures as at the end of current reporting period ending on December 31, 2014	Figures as at the end of current reporting period ending on December 31, 2013
Note : A -10		
Inventories		
(a) Raw Materials	6,996,756	7,569,046
(b) Work-in-progress	3,504,309	2,372,069
(c) Finished goods	3,189,864	1,814,168
(d) Stock-in-trade	617	602
(e) Stores and spares	4,283	159,354
TOTAL	13,695,830	11,915,239

Note : A-11		
Trade receivables		
(i) Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	5,031,431	976,376
(ii) Trade receivables outstanding for a period less than six months		
Unsecured, considered good	40,403,032	34,361,608
Less : Provision for doubtful debt	-	-
	40,403,032	34,361,608
TOTAL	45,434,463	35,337,984

Note : A-12		
Cash & Bank Balances		
(a) Cash & Cash Equivalents		
(i) Cash on hand	4,129	9,541
(ii) Balances with banks	4,876,590	4,266,193
TOTAL	4,880,720	4,275,734

Note : A-13		
Short term loans and advances		
(a) Others		
(i) Security Deposits		
Unsecured, considered good	19,209	56,878
(ii) Advances to suppliers and others		
Unsecured, considered good	1,325,478	3,114,674
(iii) Advance Income Tax (net of Provision for Tax)	65,762	177,093
TOTAL	1,410,449	3,348,645

Note : A-14		
Other current assets		
Interest accrued on investments & deposits	838	2,134
Claims receivables	1,121,625	233,825
Other current assets	-	40,747
TOTAL	1,122,463	276,706

Particulars	Figures as at the end of current reporting period ending on December 31, 2014	Figures as at the end of current reporting period ending on December 31, 2013
Note : A-15		
Revenue from operations		
Sale of products	118,223,457	111,744,187
Less Excise duty	-	-
	118,223,457	111,744,187
Sale of services	373,092	312,409
Sub Total	118,596,549	112,056,596
Other operating revenues	677,727	674,123
TOTAL	119,274,276	112,730,719

Note : A-16		
Other Income		
(a) Interest Income		
(i) from Banks	79,943	19,835
(ii) from others	2,908	0
(b) Other non operating income	927,944	472,888
TOTAL	1,010,795	492,723

Note : A-17		
Cost of material consumed		
Raw material consumed	64,689,171	53,614,771
Stores and spares consumed	868,619	698,730
Processing charges	780,177	870,741
	66,337,967	55,184,242
Note : A-18		
Changes in inventories of finished goods,work-in-progress and stock-in-trade		
Opening Stock		
Work-in- Progress	2,372,069	7,684,241
Finished goods	1,814,770	5,171,435
	4,186,839	12,855,677
Closing Stock		
Work-In- Progress	3,504,309	2,372,069
Finished Goods	3,190,481	1,814,770
	6,694,790	4,186,839
TOTAL	(2,507,952)	8,668,838

Note : A-19		
Employee benefits expense		
Salaries, wages and bonus	22,419,157	19,805,068
Contribution to social security benefits	1,994,222	1,762,178
Welfare expenses	33,188	492,052
Pension benefits	1,060,120	917,181
TOTAL	25,506,687	22,976,478

Note : A-20		
Finance cost		
Interest expense	504,957	349,714
Other borrowing costs	365,703	492,519
Applicable net gain/loss on foreign currency transactions and translation	171	
TOTAL	870,831	842,233

Euro

Particulars	Figures as at the end of current reporting period ending on December 31, 2014	Figures as at the end of current reporting period ending on December 31, 2013
Note : A-21		
Other expenses		
Power & fuel	575,408	621,974
Repairs and maintenance		
Plant and machinery	384,215	437,988
Buildings	218,414	96,359
Rent	2,128,422	2,149,875
Rates and taxes	4,255	7,699
Travel and conveyance	2,611,956	3,059,541
Postage and telephone	1,180,477	1,045,956
Insurance	1,196,921	989,749
Royalties and fees	19,247	74,438
Cash discount	64,598	103,803
Freight and forwarding charges	1,283,693	1,544,935
Brokerage and commission	2,860,203	317,868
Advertisements and publicity	687,292	616,108
Provision for product warranty	76,648	43,536
Loss on sale/disposal of fixed assets	15,480	402
Loss on sale/disposal of investment	-	
Bad debts and advances written off	125,628	103,772
Provision for doubtful debts, advances	60,166	(490)
Donation	20,414	27,671
Legal and consultancy	1,470,881	1,143,518
Outside job work	1,160,007	1,167,475
Printing and Stationery	61,271	28,801
Training Expenses	442,801	319,641
Other miscellaneous expenses	3,183,590	2,124,392
Exchange difference (net)	(274,647)	66,351
TOTAL	19,557,338	16,091,361