



Enriching Lives

## KIRLOSKAR BROTHERS LIMITED

A Kirloskar Group Company

SEC/ F: 18

May 11, 2018

**BSE Scrip Code – 500241)**

**BSE Limited**

Corporate Relationship Department,  
2<sup>nd</sup> Floor, New Trading Ring,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,

**Mumbai-400001**

**(NSE Symbol - KIRLOSBROS)**

**National Stock Exchange of India Ltd.,**

5<sup>th</sup> Floor, Exchange Plaza,  
Bandra (East)

**Mumbai – 400 051**

Dear Sirs,

**Sub. : Audited Financial Results for the Quarter  
and Year ended on March 31, 2018**

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose Audited Financial Results of the Company for the quarter and year ended on March 31, 2018.

We hereby state that M/s. Sharp and Tannan, Chartered Accountants (Firm Registration No.109983W), Statutory Auditor of the Company have issued Audit Report with unmodified opinion on the Audited Standalone Financial Results for the quarter and year ended on March 31, 2018 and Audited Consolidated Financial Results for the year ended on March 31, 2018.

The said audited Financial Results have been reviewed by the Audit and Finance Committee and approved by the Board of Directors at their respective meetings held on May 11, 2018.

The Board Meeting commenced at 10.45 am and concluded at 4.00 pm.

This is for your information and record.

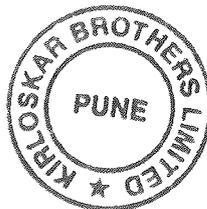
Thanking you,

Yours faithfully,

For **KIRLOSKAR BROTHERS LIMITED**

**Sandeep Phadnis**  
**Company Secretary**

Encl: As above



Audited Statement of Standalone Financial Results for the Quarter and Year ended 31 March 2018

(Rupees in Million)

Sr.No.	Particulars	Quarter Ended	Quarter Ended	Year ended	Year ended
		31.03.2018	31.03.2017	31.03.2018	31.03.2017
		Audited	Audited	Audited	Audited
1	Total income from Operations	6,204	6,064	19,534	18,413
2	Net Profit / (Loss) for the period (before Tax, Exceptional and Extraordinary items )	500	306	923	533
3	Net Profit / (Loss) for the period before Tax (after Exceptional and Extraordinary items )	500	306	923	533
4	Net Profit / (Loss) for the period after Tax (after Exceptional and Extraordinary items )	325	169	656	330
5	Total Comprehensive income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	324	153	665	318
6	Equity Share Capital	159	159	159	159
7	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year			8,796	8,221
8	Earnings Per Share (of Rs. 2/- each) (for continuing and discontinued operations) (not annualized)				
	(a) Basic	4.09	2.13	8.26	4.16
	(b) Diluted	4.09	2.13	8.26	4.16

Notes:

- The above is an extract of the detailed format of Quarterly financial results filed with the stock Exchanges under Regulation 33 of the SEBI (Listing obligations and Disclosures Requirements) Regulations, 2015. The full format of the Quarterly financial Results and Explanatory Notes are available on the Stock Exchange websites at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) and on the company's website at [www.kirloskarpumps.com](http://www.kirloskarpumps.com).
- Total income from operations, include excise duty recovered wherever applicable, hence figures of total income from operations are not comparable.
- The Board has recommended a final dividend of Rs. 2.50 per equity share. (125%) subject to approval of the shareholders.



Date : 11 May 2018  
 Place : Pune

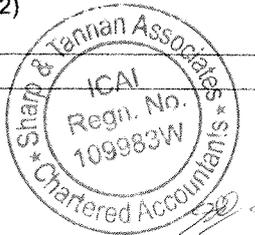
For Kirloskar Brothers Limited

SANJAY KIRLOSKAR  
 CHAIRMAN AND MANAGING DIRECTOR  
 DIN : 00007885

Audited Statement of Standalone Financial Results for the Quarter and Year ended 31 March 2018

(Rupees in Million)

Sr. No.	Particulars	Quarter Ended			Year Ended	Year Ended
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited
1	(i) Revenue from Operations (Net of excise)	6,148	4,421	5,731	19,135	17,355
	(ii) Excise duty	-	-	277	211	875
	Revenue from Operations (i+ii)	6,148	4,421	6,008	19,346	18,230
2	Other Income	56	39	56	188	183
3	<b>Total income (1+2)</b>	<b>6,204</b>	<b>4,460</b>	<b>6,064</b>	<b>19,534</b>	<b>18,413</b>
4	<b>Expenses</b>					
	(a) Cost of Materials consumed	2,697	2,017	2,282	8,819	7,101
	(b) Purchase of stock-in-trade	862	597	986	2,845	3,249
	(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	43	8	(3)	(331)	(375)
	(d) Excise duty	-	-	258	221	876
	(e) Employee benefits expense	619	578	618	2,273	2,166
	(f) Finance costs	71	65	70	253	315
	(g) Depreciation and amortization expense	86	88	90	352	397
	(h) Other expenses	1,326	987	1,457	4,179	4,151
	<b>Total Expenses</b>	<b>5,704</b>	<b>4,340</b>	<b>5,758</b>	<b>18,611</b>	<b>17,880</b>
5	<b>Profit/(loss) before exceptional items and tax (3-4)</b>	<b>500</b>	<b>120</b>	<b>306</b>	<b>923</b>	<b>533</b>
6	Exceptional Items	-	-	-	-	-
7	<b>Profit / (loss) before tax (5 + 6)</b>	<b>500</b>	<b>120</b>	<b>306</b>	<b>923</b>	<b>533</b>
8	<b>Tax expense</b>					
	(a) Current tax	212	49	73	366	168
	(b) Deferred tax	(37)	(20)	(33)	(99)	(62)
	(c) Short provision of earlier years	-	-	97	-	97
	<b>Total Tax expense</b>	<b>175</b>	<b>29</b>	<b>137</b>	<b>267</b>	<b>203</b>
9	<b>Profit / (Loss) for the period from continuing operations (7 - 8)</b>	<b>325</b>	<b>91</b>	<b>169</b>	<b>656</b>	<b>330</b>
10	Profit/(loss) from discontinued operations Tax expenses of discontinued operations <b>Profit/(loss) from discontinued operations (after tax)</b>	-	-	-	-	-
11	<b>Net Profit / (Loss) for the period (9 + 10)</b>	<b>325</b>	<b>91</b>	<b>169</b>	<b>656</b>	<b>330</b>
12	<b>Other Comprehensive Income</b>					
	Items that will not be reclassified to profit or loss	(2)	6	(24)	14	(18)
	Income tax relating to items that will not be reclassified to profit or loss	1	(2)	8	(5)	6
	Items that will be reclassified to profit or loss					
	Income tax relating to items that will be reclassified to profit or loss					
	<b>Total Other Comprehensive Income</b>	<b>(1)</b>	<b>4</b>	<b>(16)</b>	<b>9</b>	<b>(12)</b>
13	<b>Total Comprehensive income [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)] (11+12)</b>	<b>324</b>	<b>95</b>	<b>153</b>	<b>665</b>	<b>318</b>



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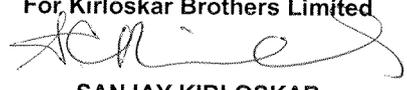
14	Paid-up equity share capital (Face value of Rs. 2 each)	159	159	159	159	159
15	Reserves excluding revaluation reserves as per balance sheet of previous accounting year				8,796	8,221
16	Earnings Per Share (from continuing operations) (not annualized)					
	(a) Basic	4.09	1.15	2.13	8.26	4.16
	(b) Diluted	4.09	1.15	2.13	8.26	4.16

**Notes :**

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11 May 2018.
- 2 The financial figures of last quarter i.e. quarter ended 31 March 2018 are the balancing figures between the audited figures in respect of the full financial year ended on 31 March 2018 and the published year to date figures upto the third quarter, i.e. 31 December 2017 of the current financial year.
- 3 The Board has recommended a final dividend of Rs. 2.50 per equity share. (125%) subject to approval of the shareholders.
- 4 Previous year's figures have been regrouped wherever necessary.



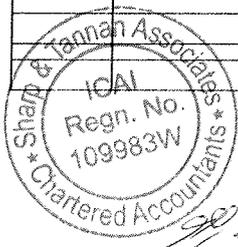
Pune : 11 May 2018

For Kirloskar Brothers Limited  
  
**SANJAY KIRLOS KAR**  
**CHAIRMAN AND MANAGING DIRECTOR**  
  
DIN : 00007885

## Audited Statement of Standalone Assets and Liabilities as at 31 March 2018

(Rupees in million)

Sr.No.	Particulars	As at	As at
		31.03.2018	31.03.2017
		Audited	Audited
	<b>ASSETS</b>		
(1)	<b>Non-current assets</b>		
	(a) Property, Plant and Equipment	2,755	2,852
	(b) Capital work-in-progress	118	33
	(c) Investment Property	5	5
	(d) Other Intangible assets	54	61
	(e) Financial Assets		
	(i) Investments	2,731	2,388
	(ii) Trade receivables	159	116
	(iii) Loans	132	169
	(iv) Others	61	43
	(f) Deferred tax assets (net)	230	192
	(g) Other non-current assets	1,354	2,561
	<b>Total non-current assets</b>	<b>7,599</b>	<b>8,420</b>
(2)	<b>Current assets</b>		
	(a) Inventories	3,127	2,595
	(b) Financial Assets	-	-
	(i) Trade receivables	3,818	3,400
	(ii) Cash and cash equivalents	583	224
	(iii) Other bank balances	25	31
	(iv) Loans	976	934
	(v) Others	20	28
	(c) Other current assets	4,493	3,815
	<b>Total current assets</b>	<b>13,042</b>	<b>11,027</b>
	<b>TOTAL ASSETS</b>	<b>20,641</b>	<b>19,447</b>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	(a) Equity share capital	159	159
	(b) Other equity	8,796	8,221
	<b>Total equity</b>	<b>8,955</b>	<b>8,380</b>
(1)	<b>LIABILITIES</b>		
	<b>Non-current liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	358	9
	(ii) Trade payables	186	313
	(iii) Other financial liabilities	30	31
	(b) Provisions	179	164
	(c) Other non-current liabilities	323	673
	<b>Total non-current liabilities</b>	<b>1,076</b>	<b>1,190</b>
(2)	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	1,169	1,878
	(ii) Trade payables	4,420	4,140
	(iii) Other financial liabilities	826	816
	(b) Other current liabilities	3,811	2,672
	(c) Provisions	384	371
	<b>Total current liabilities</b>	<b>10,610</b>	<b>9,877</b>
	<b>Total liabilities</b>	<b>11,686</b>	<b>11,067</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>20,641</b>	<b>19,447</b>



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Audited Standalone Segment-Wise Revenue, Results and Assets and Liabilities as at 31 March 2018

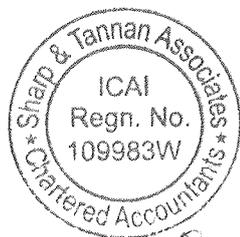
(Rupees in Million)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited
<b>1</b>	<b>Segment revenue</b>					
	a. Project Sectors	1,492	1,162	1,769	4,256	4,641
	b. Product Sectors	4,656	3,259	4,239	15,090	13,589
	<b>Total</b>	<b>6,148</b>	<b>4,421</b>	<b>6,008</b>	<b>19,346</b>	<b>18,230</b>
	<b>Less :</b>					
	Inter segment revenue		-	-		-
	<b>Net sales / income from operations</b>	<b>6,148</b>	<b>4,421</b>	<b>6,008</b>	<b>19,346</b>	<b>18,230</b>
<b>2</b>	<b>Segment Results Profit before tax and finance costs from each segment</b>					
	a. Project Sectors	207	7	135	9	175
	b. Product Sectors	844	464	553	2,511	1,774
	<b>Total</b>	<b>1,051</b>	<b>471</b>	<b>688</b>	<b>2,520</b>	<b>1,949</b>
	<b>Less :</b>					
	i. Finance Costs	71	65	70	253	315
	ii. Other un-allocable expenditure net of un-allocable income	480	286	312	1,344	1,101
	<b>Total Profit/(Loss) Before Tax</b>	<b>500</b>	<b>120</b>	<b>306</b>	<b>923</b>	<b>533</b>
<b>3</b>	<b>Segment Assets</b>					
	a. Project Sectors	8,640	8,836	8,694	8,640	8,694
	b. Product Sectors	6,320	6,822	5,706	6,320	5,706
	c. Unallocated Corporate Assets	5,681	5,809	5,047	5,681	5,047
	<b>Total</b>	<b>20,641</b>	<b>21,467</b>	<b>19,447</b>	<b>20,641</b>	<b>19,447</b>
<b>4</b>	<b>Segment Liabilities</b>					
	a. Project Sectors	5,979	6,033	5,387	5,979	5,387
	b. Product Sectors	3,523	4,329	3,264	3,523	3,264
	c. Unallocated Corporate Liabilities	2,184	2,474	2,416	2,184	2,416
	<b>Total</b>	<b>11,686</b>	<b>12,836</b>	<b>11,067</b>	<b>11,686</b>	<b>11,067</b>

1 Project segment comprises of pumps and equipment supplied to irrigation, water and power sectors. Product segment comprises of pumps and equipment supplied to other sectors.

2 Segment revenue, include excise duty recovered wherever applicable, hence figures of segment revenue are not comparable.

3 Previous year's figures have been regrouped, wherever required.



Pune : 11 May 2018

For Kirloskar Brothers Limited

  
SANJAY KIRLOSKAR  
CHAIRMAN AND MANAGING DIRECTOR

DIN : 00007885

## INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

TO THE BOARD OF DIRECTORS OF KIRLOSKAR BROTHERS LIMITED

### Introduction

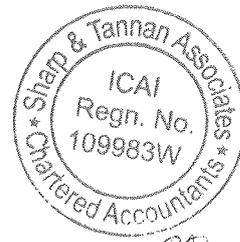
1. We have audited the accompanying statement of standalone financial results of **KIRLOSKAR BROTHERS LIMITED** ('the Company'), for the quarter and year ended 31 March 2018 ('the statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 ('SEBI Regulation 2015'). This statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors on 11 May 2018. The Statement has been prepared on the basis of related standalone Ind AS financial statements which are in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

### Scope of Audit

2. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement.



## Opinion

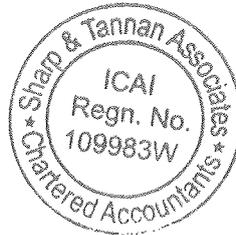
3. Based on our audit conducted as stated above, in our opinion and to the best of our information and according to the explanations given to us, the Statement:
- is presented in accordance with the requirements of the Regulation 33 of SEBI Regulation, 2015; and
  - gives true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India of the financial performance including other comprehensive income and other financial Information of the Company for the quarter and year ended 31 March 2018.

## Other matters

- The standalone Ind AS financial statements of the Company for the year ended 31 March 2017, were audited by predecessor auditor whose report dated 17 May 2017 expressed an unmodified opinion on those statements.
- The Statement includes results for the quarter ended 31 March 2018, being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to nine months ended 31 December 2017 of the current financial year which was subjected to limited review by us.

Our opinion is not qualified in respect of these other matters.

Sharp & Tannan Associates  
Chartered Accountants  
Firm's registration no. 109983W

A handwritten signature in black ink, appearing to read "Tirtharaj Khot".

Tirtharaj Khot  
Partner

Membership No.(F) 037457

Pune, 11 May 2018

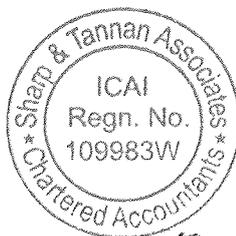
Audited Statement of Consolidated Financial Results for Year ended 31 March 2018

(Rupees in Million)

Sr.No.	Particulars	Year ended	Year ended
		31.03.2018	31.03.2017
		Audited	Audited
1	Total income from Operations	27,973	26,874
2	Net Profit / (Loss) for the period (before Tax, Exceptional and Extraordinary items )	733	164
3	Net Profit / (Loss) for the period before Tax (after Exceptional and Extraordinary items )	733	164
4	Net Profit / (Loss) for the period after Tax (after Exceptional and Extraordinary items )	500	35
5	Total Comprehensive income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	545	(237)
6	Equity Share Capital	159	159
7	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	9,266	8,822
8	Earnings Per Share (of Rs. 2/- each)		
	(a) Basic	6.22	0.48
	(b) Diluted	6.22	0.48

Notes:

- The above is an extract of the detailed format of Quarterly financial results filed with the stock Exchanges under Regulation 33 of the SEBI (Listing obligations and Disclosures Requirements) Regulations, 2015. The full format of the Quarterly financial Results and Explanatory Notes are available on the Stock Exchange websites at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) and on the company's website at [www.kirloskarpumps.com](http://www.kirloskarpumps.com).
- Total income from operations, include excise duty recovered wherever applicable, hence figures of total income from operations are not comparable.



For Kirloskar Brothers Limited

*[Signature]*

**SANJAY KIRLOSKAR**  
 CHAIRMAN AND MANAGING DIRECTOR  
 DIN : 00007885

Date : 11 May 2018  
 Place : Pune

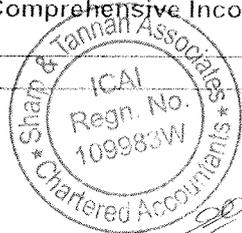
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## Audited Statement of Consolidated Financial Results for the Year ended 31 March 2018

(Rupees in Million)

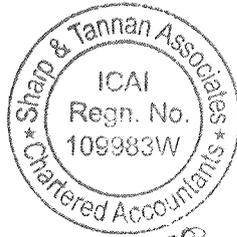
Sr. No.	Particulars	Year Ended	Year Ended
		31.03.2018	31.03.2017
		Audited	Audited
1	(i) Revenue from Operations (Net of excise)	27,415	25,263
	(ii) Excise duty	339	1,305
	Revenue from Operations (i+ii)	27,754	26,568
2	Other Income	219	306
3	<b>Total income (1+2)</b>	<b>27,973</b>	<b>26,874</b>
4	<b>Expenses</b>		
	(a) Cost of Materials consumed	13,345	11,751
	(b) Purchase of stock-in-trade	1,659	1,537
	(c) Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	(391)	(355)
	(d) Excise duty	339	1,305
	(e) Employee benefits expense	4,778	4,686
	(f) Finance costs	399	445
	(g) Depreciation and amortization expense	586	649
	(h) Other expenses	6,525	6,692
	<b>Total Expenses</b>	<b>27,240</b>	<b>26,710</b>
5	<b>Profit/(loss) before exceptional items and tax (3-4)</b>	<b>733</b>	<b>164</b>
6	Exceptional Items	-	
7	<b>Profit / (loss) before tax (5 + 6)</b>	<b>733</b>	<b>164</b>
8	<b>Tax expense</b>		
	(a) Current tax	440	209
	(b) Deferred tax	(172)	(124)
	(c) Short provision of earlier years	-	97
	<b>Total Tax expense</b>	<b>268</b>	<b>182</b>
9	<b>Profit / (Loss) for the period (7 - 8)</b>	<b>465</b>	<b>(18)</b>
10	Share in profit/ (loss) of joint venture company	35	53
11	<b>Net Profit / (Loss) for the period from continuing operations (9 + 10)</b>	<b>500</b>	<b>35</b>
	<b>Attributable to</b>		
	Non-controlling interest	6	(3)
	Equity holder's of parent	494	38
12	<b>Other Comprehensive Income</b>		
	Items that will not be reclassified to profit or loss	20	(19)
	Income tax relating to items that will not be reclassified to profit or loss	(7)	7
	Share in other comprehensive income of joint venture company	5	
	Items that will be reclassified to profit or loss	27	(260)
	<b>Total Other Comprehensive Income</b>	<b>45</b>	<b>(272)</b>



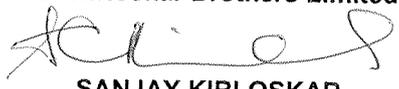
13	Total Comprehensive income [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)] (11+12)	545	(237)
	Attributable to		
	Non-controlling interest	6	(3)
	Equity holder's of parent	539	(234)
14	Paid-up equity share capital (Face value of Rs. 2 each)	159	159
15	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	9,266	8,822
16	Earnings Per Share (from continuing operations)		
	(a) Basic	6.22	0.48
	(b) Diluted	6.22	0.48

**Notes :**

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11 May 2018.
- 2 Previous Year's Figures have been regrouped wherever necessary.



Date : 11 May 2018  
Place : Pune

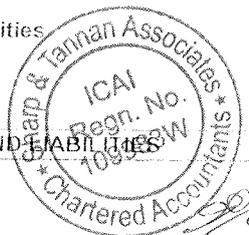
For Kirloskar Brothers Limited  
  
**SANJAY KIRLOSKAR**  
**CHAIRMAN AND MANAGING DIRECTOR**

DIN : 00007885

## Audited Statement of Consolidated Assets and Liabilities as at 31 March 2018

(Rupees in million)

Particulars	As at 31.03.2018	As at 31.03.2017
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	4,264	4,430
Capital work-in-progress	131	39
Investment Property	25	26
Goodwill	176	177
Other Intangible assets	143	171
Investments accounted for using Equity method	495	456
Financial Assets		
Trade receivables	159	116
Loans	158	194
Others	68	43
Deferred tax assets (net)	348	234
Other non-current assets	1,404	2,623
<b>Total non-current assets</b>	<b>7,371</b>	<b>8,509</b>
<b>Current assets</b>		
Inventories	5,202	4,307
Financial Assets	-	-
Investments	-	-
Trade receivables	5,427	5,316
Cash and cash equivalents	770	634
Other bank balances	145	97
Loans	971	922
Others	70	30
Current Tax Assets (net)	72	81
Other current assets	5,518	4,614
<b>Total current assets</b>	<b>18,175</b>	<b>16,001</b>
<b>TOTAL ASSETS</b>	<b>25,546</b>	<b>24,510</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	159	159
Other equity	9,266	8,822
Equity attributable to owners of parents	9,425	8,981
Non-controlling interest	35	29
<b>Total equity</b>	<b>9,460</b>	<b>9,010</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial Liabilities		
Borrowings	821	502
Trade payables	186	312
Provisions	231	213
Other non-current liabilities	322	674
<b>Total non-current liabilities</b>	<b>1,560</b>	<b>1,701</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	2,483	3,050
Trade payables	-	-
- Micro, small and medium enterprises	672	658
- Others	5,073	4,839
Other financial liabilities	1,615	1,901
Other current liabilities	4,160	2,869
Provisions	523	482
Current tax liabilities (net)	-	-
<b>Total current liabilities</b>	<b>14,526</b>	<b>13,799</b>
<b>Total liabilities</b>	<b>16,086</b>	<b>15,500</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>25,546</b>	<b>24,510</b>



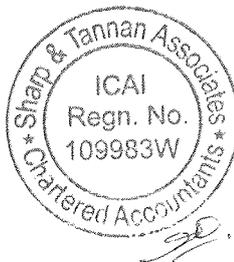
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Consolidated Segment-Wise Revenue, Results, Assets and Liabilities as at 31 March 2018

(Rupees in Million)

Sr. No.	Particulars	Year ended	
		31.03.2018	31.03.2017
		Audited	Audited
<b>1</b>	<b>Segment revenue</b>		
	a. Project Sectors	4,066	4,852
	b. Product Sectors	23,688	21,716
	<b>Total</b>	<b>27,754</b>	<b>26,568</b>
	<b>Less :</b>		
	Inter segment revenue	-	-
	<b>Net sales / income from operations</b>	<b>27,754</b>	<b>26,568</b>
<b>2</b>	<b>Segment Results</b>		
	<b>Profit before tax and finance costs from each segment</b>		
	a. Project Sectors	9	149
	b. Product Sectors	2,476	1,473
	<b>Total</b>	<b>2,485</b>	<b>1,622</b>
	<b>Less :</b>		
	i. Finance Costs	399	445
	ii. Other un-allocable expenditure net of un-allocable income	1,353	1,013
	<b>Total Profit/(Loss) Before Tax</b>	<b>733</b>	<b>164</b>
<b>3</b>	<b>Segment Assets</b>		
	a. Project Sectors	8,640	8,491
	b. Product Sectors	13,409	12,872
	c. Unallocated Corporate Assets	3,497	3,147
	<b>Total</b>	<b>25,546</b>	<b>24,510</b>
<b>4</b>	<b>Segment Liabilities</b>		
	a. Project Sectors	5,979	5,387
	b. Product Sectors	7,939	7,705
	c. Unallocated Corporate Liabilities	2,168	2,408
	<b>Total</b>	<b>16,086</b>	<b>15,500</b>

- 1 Project segment comprises of pumps and equipment supplied to irrigation, water and power sectors. Product segment comprises of pumps and equipment supplied to other sectors.
- 2 Segment revenue, include excise duty recovered wherever applicable, hence figures of segment revenue are not comparable.
- 3 Previous year's Figures have been regrouped, wherever required.



Pune : 11 May 2018

For Kirloskar Brothers Limited

**SANJAY KIRLOSKAR**  
 CHAIRMAN AND MANAGING  
 DIRECTOR

DIN : 00007885

## INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2018

### TO THE BOARD OF DIRECTORS OF KIRLOSKAR BROTHERS LIMITED

#### Introduction

1. We have audited the accompanying statement of consolidated financial results of **KIRLOSKAR BROTHERS LIMITED** ('the Holding Company'), its subsidiaries, joint-venture and an associate (together referred to as 'the Group'), for the year ended 31 March 2018 ('the statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 ('SEBI Regulation 2015'). This Statement, which is the responsibility of the Holding Company's Management and is approved by the Board of Directors on 11 May 2018. The statement has been prepared on the basis of related consolidated Ind AS financial statements, which are in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

#### Scope of Audit

2. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement.



## Opinion

3. Based on our audit conducted as stated above, in our opinion and to the best of our information and according to the explanations given to us, the Statement:
- is presented in accordance with the requirements of the Regulation 33 of SEBI Regulations, 2015; and
  - gives true and fair view in conformity with Ind AS and other accounting principles generally accepted in India of financial performance including the other comprehensive income and other financial Information of the Group for the year ended 31 March 2018.

## Other matters

4. We did not audit the Ind AS financial statements of three domestic subsidiaries included in the consolidated Ind AS financial statements of the Group, whose Ind AS financial statements reflect total assets of Rs. 2,368 Million and net assets of Rs. 1,018 Million as at 31 March 2018; as well as the total revenue of Rs. 4,165 Million and net cash inflow amounting to Rs.3 Million for the year then ended. The consolidated Ind AS financial statements also include the Group's share of Profit of Rs.35 Million for the year ended 31 March 2018, as considered in the consolidated Ind AS financial statements, in respect of a joint venture and an associate, whose financial statements have not been audited by us.

These Ind AS financial statements have been audited by other auditors whose audit reports have been furnished to us, and our opinion on the accompanying Statement, to the extent they have been derived from such Ind AS financial statements is based solely on the report of such auditors.

5. We did not audit the consolidated Ind AS financial statements of one foreign subsidiary, included in the consolidated Ind AS financial statements of the Group, whose consolidated Ind AS financial statements reflect total assets of Rs. 6,538 Million and net assets of Rs. 1,735 Million as at 31 December 2017; as well as the total revenue of Rs. 8,283 Million and net cash outflow amounting to Rs. 3 Million for the year then ended.

These consolidated Ind AS financial statements have been audited by other auditor whose audit report has been furnished to us, and our opinion on the accompanying Statement, to the extent they have been derived from such consolidated Ind AS financial statements is based solely on the report of such auditor.

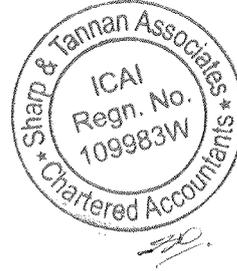
Consolidated Ind AS financial statements as mentioned in above paragraph contains nineteen step-down foreign subsidiaries and one joint venture. These step-down subsidiaries and JV are located outside India and their separate/consolidated financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by local auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of these step-down subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. These conversion adjustments made by the Company's management have been audited by other auditor and has issued audit report on which we have placed our reliance.

Out of the above nineteen step-down subsidiaries, three step-down subsidiaries are non-operative, and their financial information of total assets as at 31<sup>st</sup> March 2017, total revenue and net cashflow for the year ended on that date are not material. This financial information is unaudited and the same is provided by the management in whose opinion these step-down subsidiaries are not material to the group. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these step-down subsidiaries, is based solely on such unaudited financial statements/information.

6. The Consolidated Ind AS financial statements of the Company for the year ended 31 March 2017, were audited by predecessor auditor whose report dated 17 May 2017 expressed an unmodified opinion on those statements.

Our opinion is not qualified in respect of these other matters.

Sharp & Tannan Associates  
Chartered Accountants  
Firm's registration no. 109983W



A handwritten signature in black ink, appearing to read "Tirtharaj Khot".

Tirtharaj Khot  
Partner  
Membership no. (F) 037457

Pune, 11 May 2018