

Unaudited Financial Results for the Quarter ended 30 June 2016

PART I		(Rupees in lakhs)			
Sr.No	Particulars	Quarter Ended			Year ended
		30 June 2016	31 March 2016	30 June 2015	31 March 2016
		Unaudited	*	*	*
1	Income from Operations				
	(a) Income from Operations	37,371.28	51,847.84	37,873.86	170,116.72
	(b) Other Operating Income	244.19	762.65	276.10	1,796.56
	Total income from Operations	37,615.47	52,610.49	38,149.96	171,913.28
2	Expenses				
	(a) Cost of Materials consumed	17,192.18	25,682.58	17,759.37	83,223.26
	(b) Purchase of stock-in-trade	6,978.70	5,009.11	6,424.72	25,842.11
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(567.38)	1,136.26	(1,021.44)	(2,059.85)
	(d) Employee benefits expense	4,795.58	5,009.20	4,414.79	18,117.90
	(e) Depreciation and amortisation expense	973.93	955.12	1,017.54	3,908.71
	(f) Excise duty	1,933.61	2,407.85	1,912.85	8,198.55
	(g) Other expenses	6,113.35	10,524.29	7,286.82	32,716.91
	Total Expenses	37,419.97	50,724.41	37,794.65	169,947.59
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	195.50	1,886.08	355.31	1,965.69
4	Other Income	219.35	1,156.39	1,152.61	2,743.77
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	414.85	3,042.47	1,507.92	4,709.46
6	Finance Costs	786.87	1,043.07	885.90	3,797.97
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(372.02)	1,999.40	622.02	911.49
8	Exceptional Items				
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	(372.02)	1,999.40	622.02	911.49
10	Tax expense	(45.07)	(163.40)	(153.33)	(488.90)
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(326.95)	2,162.80	775.35	1,400.39
12	Extraordinary items				
13	Net Profit / (Loss) for the period (11 + 12)	(326.95)	2,162.80	775.35	1,400.39
14	Other Comprehensive Income Items that will not be reclassified to profit or loss (Net of tax)	(19.39)	7.68	(25.27)	(74.37)
15	Total Comprehensive income [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(346.34)	2,170.48	750.08	1,326.02
16	Paid-up equity share capital (Face value of Rs. 2 each)	1,588.18	1,588.18	1,588.18	1,588.18
17	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				78,975.75
18	(i) Earnings Per Share (before extraordinary items)				
	(a) Basic	(0.41)	2.72	0.98	1.76
	(b) Diluted	(0.41)	2.72	0.98	1.76
	(ii) Earnings Per Share (after extraordinary items)				
	(a) Basic	(0.41)	2.72	0.98	1.76
	(b) Diluted	(0.41)	2.72	0.98	1.76

* The quarter ended 30 June 2015, 31 March 2016 and year ended 31 March 2016 have not been subjected to limited review / audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs. *aw*

Notes :

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 21 July 2016.
- The Limited review of the financial results for the quarter ended June 2016, pursuant to regulation 33 (C) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been carried out by the statutory auditors.

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These are Company's first interim financial results prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Companies' (Indian Accounting Standards) Rules, 2015. In preparing its corresponding quarter ended 30 June 2015, previous quarter ended 31 March 2016 and year ended 31 March 2015, the Company has adjusted amounts reported previously in results prepared in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP). An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's financial performance is set out in Annexure A.

Sr. No.	Particulars	Quarter ended				Year ended		
		31 March, 2016		30 June 2015		31 March 2016		
		Indian GAAP	IND AS	Indian GAAP	IND AS	Indian GAAP	IND AS	
1	Income from Operations (a) Revenue from Operations (b) Other Operating Income Total Income from Operations	43,474.58 762.65 53,237.23	51,847.84 762.65 52,610.49	36,622.27 276.10 36,898.37	37,873.86 276.10 38,149.96	163,827.19 1,796.56 165,623.75	170,116.72 1,796.56 171,913.28	
2	Expenses (a) Cost of Materials consumed (b) Purchase of stock-in-trade (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade (d) Employee benefit expense (e) Depreciation and amortisation expense (f) Excise duty (g) Other expenses Total Expense	25,682.58 5,009.11 1,136.26 4,994.51 851.53 13,665.65	25,682.58 5,009.11 1,136.26 5,009.20 855.12 2,407.85 10,524.29	17,759.37 6,424.72 (1,021.44) 4,461.35 1,013.95 - 7,821.30	17,759.37 6,424.72 (1,021.44) 4,414.79 1,017.54 1,912.85 7,286.82	83,223.26 25,842.11 (2,059.85) 18,248.95 3,894.28 - 34,522.01	- - - (131.05) 14.43 8,198.55 (1,805.10)	83,223.26 25,842.11 (2,059.85) 18,117.90 3,808.71 8,198.55 32,716.91
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	43,339.64 1,897.59	50,724.41 1,886.08	36,559.25 339.12	37,794.65 355.31	163,670.76 1,952.99	169,947.59 1,966.69	
4	Other Income	1,065.39	1,556.39	91.00	64.06	2,410.99	332.78	
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	2,862.98	3,042.47	1,427.67	80.25	4,363.98	345.46	
6	Finance Costs	1,037.84	1,043.07	880.72	25.18	3,722.43	3,797.97	
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	1,825.14	1,999.40	546.95	55.07	641.55	269.94	
8	Exceptional items	-	-	-	-	-	-	
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	1,825.14	1,999.40	546.95	55.07	641.55	269.94	
10	Tax expense	(184.16)	(163.40)	(166.00)	12.67	(539.16)	50.26	
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	2,109.30	2,162.80	732.95	42.40	1,180.71	219.68	
12	Extraordinary items	-	-	-	-	-	-	
13	Net Profit / (Loss) for the period (11 + 12)	2,109.30	2,162.80	732.95	42.40	1,180.71	219.68	
14	Paid-up equity share capital (Face Value of Rs. 2 each)	1,588.18	1,588.18	1,588.18	1,588.18	1,588.18	1,588.18	
15	Other Comprehensive Income Items that will not be reclassified to profit or loss (Net of tax) Items that will be reclassified to profit or loss (Net of tax)	-	7.68	-	(25.27)	-	(74.37)	
16	Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax))	2,109.30	2,170.48	732.95	17.13	1,180.71	145.31	
17	(i) Earnings Per Share (before extraordinary items) (11/14) (a) Basic (b) Diluted (ii) Earnings Per Share (after extraordinary items) (13/14) (a) Basic (b) Diluted	2.66 2.66	2.72 2.72	0.92 0.92	0.13 0.13	1.49 1.49	0.28 0.28	
		2.66 2.66	2.72 2.72	0.92 0.92	0.27 0.27	1.49 1.49	1.38 1.38	

a) Excise duty

Under Indian GAAP, excise duty is reduced from gross revenues to report revenues net of excise duty.

Under Ind AS, revenue includes gross inflows of economic benefits received by a company for its own account. Excise duty collected, which is a duty on manufacture and a primary obligation of the manufacturer is considered as revenue with the corresponding payments to Government as expenditure. This adjustment does not have any impact on statement of profit and loss.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Revenue from Operations			
Add: Excise duty	2,407.85	1,912.85	8,198.55
Other expenses - excise duty			
Add: Excise duty on sales	2,407.85	1,912.85	8,198.55

b) Variable consideration

Under Indian GAAP, cash discounts and certain customer incentives such as award credits are reported separately as an expenditure in statement of profit and loss.

Under Ind AS, revenue is measured at the fair value of consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the entity. Customer incentives such as award credits and other loyalty programs are considered as separately identifiable component of the sale transaction in which they are granted (initial sale). The fair value of the consideration received or receivable of initial sale shall be allocated between the award credits and the other components of the sale. Allocation of initial sale value to be made with reference to the fair values of the components of sale. Such allocated fair value of award credit is deferred to be recognised subsequently as revenue when the award credits/ points are utilised or lapsed.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Revenue from Operations			
Add / (Less): Cash discount	(507.69)	(426.32)	(1,719.64)
Add / (Less): Customer loyalty program	547.85	(238.13)	(116.00)
	40.16	(664.45)	(1,835.64)
Other expenses:			
(Less): Cash discount	(507.69)	(426.32)	(1,719.64)
Add / (Less): Customer loyalty program - Additional provision	547.85	(238.13)	(116.00)
	40.16	(664.45)	(1,835.64)

c) Project Revenue - Multiple element arrangements

Under Indian GAAP, there is no specific guidance on multiple elements transactions.

Under Ind AS, it is necessary to apply the revenue recognition criteria for each separately identifiable component of a single transaction in order to reflect the substance of the transaction. Revenue is recognised separately for each component as and when the recognition criteria for the component is fulfilled. Further Under Ind AS, contract revenue is measured at the fair value of the consideration received or receivable. The amount of revenue and estimates should be revised as and when events occur and uncertainties are resolved. Thus, contract revenue is affected by a variety of uncertainties that depend on the outcome of future events. Accordingly, the amount of estimated contract revenue is decreased as a result of penalties arising from delays.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Revenue from Operations			
Add / (Less): Project revenue	(74.76)	3.18	(73.38)
Other expenses			
Add / (Less): Unforeseeable loss	(108.99)	3.98	(103.34)

d) Sales tax deferral liability

Under Indian GAAP, a sales tax deferral liability, which is acquired from the third party for a consideration, is recorded as borrowings at transaction price. Amount paid for acquiring such sales tax deferral entitlement is recognised in statement of profit and loss in the year of acquisition.

Under Ind AS, acquired sales tax deferral liability is recorded as a financial liability. Such liability is measured at amortised cost using effective interest rate method. Amount paid for acquiring the sales tax deferral entitlement is treated as intangible asset and is amortised over the period of the benefit received.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Depreciation and amortisation			
Add: amortisation of intangible asset	6.97	6.97	28.05
Finance cost:			
Add: fair valuation of deferral liability	8.26	8.26	33.24
Other income			
Add: amortisation of deferred income	8.26	8.26	33.24

e) Preference shares

Under Indian GAAP, investment in preference shares is recorded at transaction price.

Under Ind AS, investment in preference shares is treated as financial asset. Such asset is recorded at fair value at initial recognition and amortised cost using effective interest rate method at subsequent recognition. The difference between fair value and transaction price on initial recognition is recognised as additional investment in subsidiary. Investment in subsidiary and interest receivable is tested for impairment.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Other income			
Add: interest income	62.70	36.70	220.92
Other expenses			
Add: impairment loss	37.30	22.44	133.08

f) Corporate guarantee

Under Indian GAAP, financial guarantee given by the parent on behalf of its subsidiaries is recognised as 'Contingent liability'.

Under Ind AS, corporate / financial guarantee is treated as financial liability and recognised at fair value on initial and subsequent recognition. The fair value of the guarantee recoverable from the subsidiary is treated as receivable from subsidiary. The fair value of the guarantee not recoverable from the subsidiary is written off as expenditure. Finance income is recognised over the term of the guarantee using effective interest method.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Finance cost			
Add: fair valuation of corporate guarantee	1.76	6.11	16.36
Other Income			
Add: amortisation of deferred income	20.01	19.10	78.62
Other expenses			
Add: fair valuation of corporate guarantee	3.95	-	3.95

g) Employee Stock Option Plan (ESOP)

Under Indian GAAP, a company uses intrinsic value approach to measure the cost of share based payments. Under this approach, if the exercise price for employee stock option is not less than the market price of the underlying shares on the date of the grant, no compensation cost is recorded.

Under Ind AS, costs of share based payments are recorded based on the fair value of employee stock option. Under this approach, the instrument would have a value even if the exercise price is equal to the market price of the underlying shares on the date of grant.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Employee benefit expenses			
Less: excess of fair value over intrinsic value	-	(0.20)	(0.20)

h) Employee benefit expenses - actuarial gains and losses and return on plan assets

Under Indian GAAP, actuarial gains and losses and return on plan assets on post-employment defined benefit plans are recognised immediately in statement of profit and loss.

Under Ind AS, remeasurements which comprise of actuarial gains and losses, return on plan assets and changes in the effect of asset ceiling, if any, with respect to post-employment defined benefit plans are recognised immediately in other comprehensive income (OCI). Further, remeasurements recognised in OCI are never reclassified to statement of profit and loss.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Employee benefit expenses			
Add / (loss): Actuarial gain / loss	8.85	(38.64)	(113.72)
Tax expenses			
Add / (Less): Income tax impact of above	(1.17)	13.37	39.36
Other comprehensive income			
Items that will not be classified to P/L			
Add / (loss): Actuarial gain / loss	8.85	(38.64)	(113.72)
Add / (Less): Income tax impact of above	(1.17)	13.37	39.36

Employee benefit expenses - net interest income / expenses

Under Indian GAAP, net finance cost / income on post-employment defined benefit plans (gratuity) is recognised in statement of profit and loss under 'employee benefit expense'.

Under Ind AS, net finance cost / income is recorded under 'finance cost / income'.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Finance cost			
Add / (Less): net interest on net defined benefit obligation	(5.84)	7.72	17.13
Employee benefit expenses			
Add / (Less): net interest on net defined benefit obligation	5.84	(7.72)	(17.13)

i) Provision for decommissioning, restoration and similar liabilities

Under Indian GAAP, at the initial recognition of an asset, provision for decommissioning, restoration and similar liabilities is not recorded.

Under Ind AS, the cost of dismantling or removing the item or restoration of the site is included as part of initial cost of the property, plant and equipment. Accordingly, a liability equivalent to the present value of such costs is recognised, with equivalent amount capitalised as an additional cost of the component. Depreciation on asset and imputed interest on the provision is subsequently recognised in statement of profit and loss.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Depreciation and amortization expense			
Add: additional depreciation	0.29	0.29	1.16
Finance cost			
Add: present value of restoration liability	1.05	1.05	4.21

j) Warranty provision

Under Indian GAAP, provision for warranty is recorded at transaction price.

Under Ind AS, warranty provision is discounted to its present value where the effect of time value of money is material. The imputed interest on the provision is subsequently recognised in statement of profit and loss.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Finance cost			
Add: present value of warranty provision	-	2.05	4.60
Other expenses			
Less: present value of warranty provision	(17.32)	-	(17.32)

k) Reclassification of lease

Under Indian GAAP, there is no specific guidance for contracts that involve leases of land.

Under Ind AS, leases of land is recognised as operating or finance lease as per definition and classification criteria. Where the land lease is for several decades, generally it qualifies as a finance lease even though the right of ownership of the land may not transfer at the end of the lease term. Land leases for relatively shorter periods are treated as operating leases. In such cases lease rentals paid in advance are recorded as prepaid lease rentals as part of other current / non-current assets.

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Depreciation and amortization expense			
Less: reversal of amortisation of leasehold land premium	(3.67)	(3.67)	(14.78)
Other expenses			
Add: rent expenses	3.54	3.54	14.18

l) Deferred tax

Under Indian GAAP, the deferred tax is recognised using the income statement / balance sheet approach i.e. reflecting the tax effects of timing differences between accounting income and taxable income for the period.

Under Ind AS, the Company has recognised deferred taxes using the balance sheet approach i.e. reflecting the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Also, deferred taxes is recognised on account of the above mentioned changes explained in notes (a) to (k)

The impact arising from this change is summarised as follows:

Statement of profit and loss	Quarter ended 31 March 2016	Quarter ended 30 June 2015	Year ended 31 March 2016
Deferred tax impact of above adjustments	21.94	(0.70)	10.90

4. STANDALONE SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

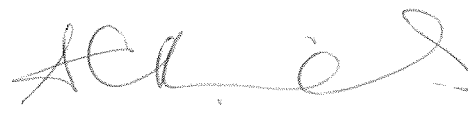
Under Ind AS, operating segments is a component of an entity that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

(Rupees in lakhs)

Sr. No.	Particulars	Quarter Ended			Year ended
		30 June 2016	31 March 2016	30 June 2015	31 March 2016
		Unaudited	*	*	*
1	Segment revenue				
	a. Project Sectors	6,736.89	14,072.88	7,449.38	40,978.89
	b. Product Sectors	30,634.39	37,774.96	30,424.48	129,137.83
	Total	37,371.28	51,847.84	37,873.86	170,116.72
	Less :				
	Inter segment revenue	-	-	-	-
	Net sales / income from operations	37,371.28	51,847.84	37,873.86	170,116.72
2	Segment Results Profit before tax and finance costs from each segment				
	a. Project Sectors	(1,269.31)	201.26	(659.24)	(2,812.60)
	b. Product Sectors	4,071.24	5,643.99	4,087.72	17,100.62
	Total	2,801.93	5,845.25	3,428.48	14,288.02
	Less :				
	i. Finance Costs	786.87	1,043.07	885.90	3,797.97
	ii. Other un-allocable expenditure net of un-allocable income	2,387.08	2,802.78	1,920.56	9,578.56
	Total Profit/(Loss) Before Tax	(372.02)	1,999.40	622.02	911.49
3	Capital Employed (Segment Assets - Segment Liabilities)				
	a. Project Sectors	26,320.96	29,973.80	31,899.42	29,973.80
	b. Product Sectors	57,632.72	62,081.76	56,532.45	62,081.76
	c. Unallocated Corporate Assets	51,699.15	52,054.18	48,726.49	52,054.18
	Total	135,652.83	144,109.74	137,158.36	144,109.74

5 Figures have been regrouped wherever necessary.

For Kirloskar Brothers Limited



SANJAY KIRLOSKAR
 CHAIRMAN AND MANAGING DIRECTOR
 DIN : 00007885

Date : July 21, 2016
 Place : Pune

Unaudited Financial Results for the Quarter ended 30 June 2016

<i>(Rupees in lakhs)</i>				
Sr.No	Particulars	Quarter Ended	Year ended *	Quarter Ended *
		30 June 2016	31 March 2016	30 June 2015
1	Total income from Operations	37,615.47	171,913.28	38,149.96
2	Net Profit / (Loss) for the period (before Tax, Exceptional and Extraordinary items)	(372.02)	911.49	622.02
3	Net Profit / (Loss) for the period before Tax (after Exceptional and Extraordinary items)	(372.02)	911.49	622.02
4	Net Profit / (Loss) for the period after Tax (after Exceptional and Extraordinary items)	(326.95)	1,400.39	775.35
5	Total Comprehensive income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(346.34)	1,326.02	750.08
6	Equity Share Capital	1,588.18	1,588.18	1,588.18
7	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year		78,975.75	
8	(i) Earnings Per Share (of Rs. 2/- each) ((for continuing and discontinued operations)			
	(a) Basic	(0.41)	1.76	0.98
	(b) Diluted	(0.41)	1.76	0.98

* The quarter ended 30 June 2015 and year ended 31 March 2016 have not been subjected to limited review / audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.

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 and SEBI circular no. CIR/CFD/FAC/62/2016 dated 5th July 2016. The full format of the Quarterly financial Results and Explanatory Notes are available on the Stock Exchange websites at www.nseindia.com and www.bseindia.com and on the company's website at www.kirloskarpumps.com
- These are Company's first interim financial results prepared in accordance with Indian Accounting Standards (Ind AS) as notified under Companies' (Indian Accounting Standards) Rules, 2015. In preparing its corresponding quarter ended 30 June 2015, previous quarter ended 31 March 2016 and year ended 31 March 2016, the Company has adjusted amounts reported previously in results prepared in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP). Detailed explanation of how the transition from Indian GAAP to Ind AS has affected the Company's financial performance is set as notes to reconciliation to the quarterly financial results on the Stock Exchange websites at www.nseindia.com and www.bseindia.com and on the company's website at www.kirloskarpumps.com



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3 Impact on net profit / loss and other comprehensive income

(Rupees in lakhs)

Sr.No	Particulars	Year ended 31 March 2016	Quarter ended 30 June 2015
(A)	Net profit as per previous GAAP	1,180.71	732.95
(B)	Ind AS adjustment		
1	Project Revenue - Multiple element arrangements	29.96	(0.80)
2	Fair valuation of sales tax deferral liability	(28.05)	(6.97)
3	Fair valuation of investment in preference shares	87.84	14.26
4	Fair valuation of corporate guarantees given to subsidiaries	58.31	12.99
5	Actuarial gains/ loss on employee defined benefit funds	74.37	25.27
6	Deferred tax impact on Ind AS adjustments	(10.90)	0.70
7	Others	8.15	(3.05)
	Total Ind AS adjustments	219.68	42.40
(C)	Net profit for the period as per Ind AS (A+B)	1,400.39	775.35
(D)	Other Comprehensive Income	(74.37)	(25.27)
(E)	Total comprehensive income as per Ind AS	1,326.02	750.08

Date : 21 July 2016
 Place : Pune

For Kirloskar Brothers Limited

 SANJAY KIRLOS KAR
 CHAIRMAN AND MANAGING DIRECTOR
 DIN : 00007885 

To
The Board of Directors
Kirloskar Brothers Limited
Udyog Bhavan, Tilak Road
Pune – 411002, Maharashtra
India


Limited Review Report

We have reviewed the accompanying statement of unaudited financial results of **Kirloskar Brothers Limited** for the period ended 30th June, 2016. 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 an analytical procedure 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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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
Firm's Registration Number: 101118W


Abhijeet Bhagwat
Partner
Membership Number: 136835
Mumbai
21st July, 2016

