



## KIRLOSKAR PNEUMATIC COMPANY LIMITED

A Kirloskar Group Company

Enriching Lives

January 17, 2018

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai 400 001  
Scrip Code – 505283

Kind Atten.: Ms. Bharti Bhambwani, Relationship Manager

Dear Madam,

Sub.: Information pursuant to Clause 30(2) and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Clause 30(2) and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose

1. A statement of Unaudited Financial Results for the Quarter and Nine months ended December 31, 2017.
2. Segment Wise Report.
3. A Limited Review Report.

The meeting of the Board of Directors of the Company commenced at 11.45 am and concluded at 1.30 pm.

Thanking you.

Yours faithfully,  
For Kirloskar Pneumatic Company Limited

Aditya Kowshik  
Managing Director  
DIN 00228983

Encl.: As above





**KIRLOSKAR PNEUMATIC COMPANY LIMITED**  
A Kirloskar Group Company

Enriching Lives

**STANDALONE UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED DECEMBER 31, 2017**

₹ in Lacs

Sr. No.	Particulars	Quarter ended on			Nine Months ended on December 31,	
		Dec. 31	Sept. 30	Dec. 31	2017	2016
		2017	2017	2016		
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
I	Revenue from operations	11,824	8,719	12,962	29,773	37,896
II	Other Income	315	407	1,448	1,184	2,446
III	<b>Total income ( I + II )</b>	<b>12,139</b>	<b>9,126</b>	<b>14,410</b>	<b>30,957</b>	<b>40,342</b>
IV	<b>EXPENSES</b>					
	Cost of material consumed	5,847	4,926	6,161	15,608	18,199
	Changes in inventories of finished goods, stock in trade & work in progress	6	(561)	(13)	(1,165)	(22)
	Excise Duty	-	-	873	594	2,749
	Employee benefit expense	2,234	2,219	2,137	6,756	6,494
	Finance Cost	2	5	-	8	2
	Depreciation and amortisation expense	428	400	432	1,258	1,295
	Other Expenses	2,822	2,589	2,387	8,019	7,083
	<b>Total expenses ( IV )</b>	<b>11,339</b>	<b>9,578</b>	<b>11,977</b>	<b>31,078</b>	<b>35,800</b>
V	<b>Profit/(Loss) before exceptional items &amp; tax ( III - IV )</b>	<b>800</b>	<b>(452)</b>	<b>2,433</b>	<b>(121)</b>	<b>4,542</b>
VI	Exceptional items	-	-	-	-	-
VII	<b>Profit/ (Loss) before tax ( V - VI )</b>	<b>800</b>	<b>(452)</b>	<b>2,433</b>	<b>(121)</b>	<b>4,542</b>
VIII	Tax expenses					
	Current Tax ( net of write back of previous year )	53	(32)	459	21	920
	Deferred Tax	155	(261)	(35)	(330)	34
IX	<b>Profit/ (Loss) for the period ( VII - VIII )</b>	<b>592</b>	<b>(159)</b>	<b>2,009</b>	<b>188</b>	<b>3,588</b>
X	<b>Other Comprehensive Income</b>					
	i) Items that will not be reclassified to profit or loss	718	(399)	1,073	414	1,922
	ii) Income tax relating to items that will not be reclassified to profit or loss	7	14	(2)	21	(7)
XI	<b>Total Comprehensive Income for the period ( IX + X ) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>	<b>1,317</b>	<b>(544)</b>	<b>3,080</b>	<b>623</b>	<b>5,503</b>
XII	Paid up Equity Share Capital (Face Value of Rs. 10/- each)	1,284	1,284	1,284	1,284	1,284
XIII	<b>Earning per equity share basic and diluted (Rs.)</b> ( Not Annualised )	<b>4.61</b>	<b>(1.24)</b>	<b>15.64</b>	<b>1.46</b>	<b>27.94</b>

Place : Pune  
Date : January 17, 2018



For Kirloskar Pneumatic Company, Limited

*Aditya Kowshik*

Aditya Kowshik  
Managing Director







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

₹ in Lacs

Sr. No.	Particulars	Quarter ended on			Nine Months ended on	
		Dec 31	Sept 30	Dec 31	December 31st	
		2017	2017	2016	2017	2016
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
<b>1</b>	<b>Segment Revenue</b>					
	a Compression Systems	10,850	7,622	11,431	26,668	33,670
	b Transmission Products	955	1,066	1,468	3,011	4,042
	c Other	19	31	63	94	184
	<b>TOTAL</b>	<b>11,824</b>	<b>8,719</b>	<b>12,962</b>	<b>29,773</b>	<b>37,896</b>
	Less : Inter Segment revenue	-	-	-	-	-
	<b>Net Sales/ Income from operations</b>	<b>11,824</b>	<b>8,719</b>	<b>12,962</b>	<b>29,773</b>	<b>37,896</b>
<b>2</b>	<b>Segment Results</b>					
	Profit/(Loss) before tax and interest from each segment					
	a Compression Systems	1,903	578	2,190	3,100	5,805
	b Transmission Products	(160)	(358)	(260)	(855)	(583)
	<b>TOTAL</b>	<b>1,743</b>	<b>220</b>	<b>1,930</b>	<b>2,245</b>	<b>5,222</b>
	Less : i. Interest	2	5	-	8	2
	ii. Other unallocable expenditure net off unallocable income	941	667	(503)	2,358	678
	<b>Total Profit/(Loss) Before Tax</b>	<b>800</b>	<b>(452)</b>	<b>2,433</b>	<b>(121)</b>	<b>4,542</b>
<b>3</b>	<b>Capital Employed</b>					
	<b>Segment Assets</b>					
	a Compression Systems	26,296	20,917	22,363	26,296	22,363
	b Transmission Products	3,567	3,526	4,026	3,567	4,026
	<b>Segment Liabilities</b>					
	a Compression Systems	19,283	13,927	15,999	19,283	15,999
	b Transmission Products	1,620	1,756	1,503	1,620	1,503
	<b>Segment Capital Employed</b>					
	a Compression Systems	7,013	6,990	6,364	7,013	6,364
	b Transmission Products	1,947	1,770	2,523	1,947	2,523
	<b>TOTAL Capital employed in segments</b>	<b>8,960</b>	<b>8,760</b>	<b>8,887</b>	<b>8,960</b>	<b>8,887</b>
	Add : Unallocable corporate assets	32,702	31,845	32,302	32,702	32,302
	Less : Unallocable corporate liabilities	352	268	529	352	529
	<b>Net Unallocable Corporate Assets / (Liabilities)</b>	<b>32,350</b>	<b>31,577</b>	<b>31,773</b>	<b>32,350</b>	<b>31,773</b>
	<b>Total Capital employed in the Company</b>	<b>41,310</b>	<b>40,337</b>	<b>40,660</b>	<b>41,310</b>	<b>40,660</b>





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Notes :

1. The above Results have been reviewed and recommended by the Audit Committee & approved by the Board of Directors at its Meeting held on 17th Jan, 2018. The Statutory Auditors have conducted 'Limited Review' of the Financial Results.
2. The Company has prepared interim financial results in accordance with Indian Accounting Standards (Ind AS) as notified under Companies' (Indian Accounting Standards) Rules, 2015. In preparing its corresponding quarter ended 31st December 2016, 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.
3. Revenue from operations for the quarter and nine months ended on 31st December 2017 is not comparable with revenue from operations of the corresponding quarter of the previous year and nine months ended 31st December 2016 as these periods include amount of excise duty which is not included for the quarter ended 30th September 2017 and also for the quarter ended 31st December 2017 after implementation of GST.

For Kirloskar Pneumatic Company Limited,



*Aditya Kowshik*

Aditya Kowshik  
Managing Director

Place : Pune

Date : January 17, 2018







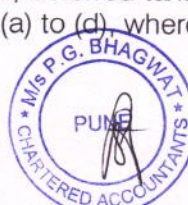
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**Annexure A: Reconciliation of statement profit and loss and other comprehensive income**

Sr.No.	Particulars	Notes	₹ in Lacs	
			Nine Months ended on	Quarter ended on
			December 31, 2016	
1	Net profit as per Indian GAAP after Tax		3,552	2,003
2	<b>Ind AS adjustments to Profit &amp; Loss</b>			
	<b>Common control transaction -</b>			
	Merger of Pneumatic Holdings Limited and Kirloskar Road-railer Limited	a	(4)	(2)
	<b>Other Ind AS adjustments</b>			
	Fair valuation of investments in mutual funds	b	111	9
	Actuarial gains/ loss on employee defined benefit funds (Net of tax)	c	(13)	(4)
	Deferred tax on Ind AS adjustments	e	(32)	3
	Other adjustments	d	(26)	-
	<b>Total Ind AS adjustments</b>		36	6
3	<b>Net profit for the period as per Ind AS after Tax (1 + 2)</b>		<b>3,588</b>	<b>2,009</b>
4	<b>Ind AS adjustments - Other Comprehensive Income</b>			
	Fair valuation of investments in equity shares	d	1,902	1,067
	Actuarial gains/ loss on employee defined benefit funds (Net of tax)	c	13	4
	<b>Total Ind AS adjustments</b>		<b>1,915</b>	<b>1,071</b>
5	<b>Total comprehensive income as per Ind AS after Tax (3+4)</b>		<b>5,503</b>	<b>3,080</b>

**EXPLANATION (RECONCILIATION) OF TRANSITION TO INDIAN ACCOUNTING STANDARDS (IND AS)**

- Under Ind AS, for common control business combinations, the financial information in respect of prior periods is required to be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. As such the above reconciliation considers the results for the nine months ended 31st Dec. 2016 in respect of Kirloskar Roadrailer Limited & Pneumatic Holdings Limited, which were amalgamated with the Company during the previous year with appointed date as 1st April 2016.
- Under Ind AS, investment in mutual funds classified as 'Fair value through profit or loss' are measured at fair value at each reporting date. The subsequent changes in the fair value of such investments are recognised 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 in other comprehensive income. Further, remeasurements thus recognised in OCI are never reclassified to statement of profit and loss.
- Under Ind AS, investment in equity shares classified as 'Fair value through other comprehensive income' are measured at fair value at each reporting date. The subsequent changes in the fair value and realised gains / losses if any of such investments are recognised in other comprehensive income. Further, gains or losses recognised in other comprehensive income are never reclassified from equity to statement of profit and loss.
- Under Ind AS, deferred taxes are recognised using 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 using the income tax rates enacted or substantively enacted at reporting date. Also, deferred taxes are recognised on account of the above mentioned changes explained in notes (a) to (d) wherever applicable.





**M/S P.G.BHAGWAT**  
**Chartered Accountants**

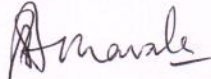
Review Report to the Board of Directors of Kirloskar Pneumatic Co. Limited

We have reviewed the accompanying statement of unaudited financial results of Kirloskar Pneumatic Co. Limited for the quarter ended 31<sup>st</sup> December 2017. 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 recognised 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,  
(FRN : 101118W)  
Chartered Accountants,

  
S.S. Athavale  
Partner  
Membership No. : 83374



Place : Pune

Date: 17 January 2018