



Kennametal India Limited

CIN: L27109KA1964PLC001546

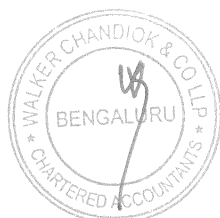
Regd Office : 8/9th Mile, Tumkur Road, Bangalore - 560 073

Website: www.kennametal.com/hi/about-us/kil-financials.html, Email: in.investorrelation@kennametal.com

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Statement of unaudited financial results for the quarter and nine months ended March 31, 2018

Sl. No.	Particulars	(₹ in Lakhs except per share data)				
		Quarter ended			Nine months ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
I	INCOME					
	Revenue from operations (Refer Note 5)	19,705	18,666	17,742	56,485	50,991
	Other income	238	227	185	663	581
	Total income	19,943	18,893	17,927	57,148	51,572
II	EXPENSES					
	Cost of materials consumed	6,521	5,750	4,149	16,623	12,839
	Purchase of stock-in-trade	5,509	4,960	4,262	15,685	12,501
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,037)	(840)	61	(2,684)	53
	Excise duty	-	-	1,202	-	3,360
	Employee benefits expense	2,831	3,139	3,087	8,957	8,974
	Depreciation and amortisation expense	641	746	743	2,106	2,083
	Other expenses	3,815	3,657	3,455	10,831	9,210
	Total expenses	17,280	17,412	16,959	51,518	49,020
III	Profit before exceptional items and tax (I-II)	2,663	1,481	968	5,630	2,552
IV	Exceptional items (Refer Note 4)	-	(474)	-	(474)	-
V	Profit before tax (III-IV)	2,663	1,007	968	5,156	2,552
VI	Tax expense					
	Current tax	703	177	188	1,398	506
	Deferred tax charge / (credit)	329	205	(15)	503	(178)
	Total tax expense	1,032	382	173	1,901	328
VII	Net profit for the period (V-VI)	1,631	625	795	3,255	2,224
VIII	Other comprehensive income, net of income tax					
	(i) Items that will not be reclassified to profit or loss					
	Remeasurements of net defined benefit plans	(470)	-	2	(470)	2
	Income tax relating to above items	163	-	(1)	163	(1)
	(ii) Items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income, net of income tax	(307)	-	1	(307)	1
IX	Total comprehensive income for the period (VII+VIII)	1,324	625	796	2,948	2,225
X	Paid-up of equity share capital (Face Value of ₹ 10 per share)	2,198	2,198	2,198	2,198	2,198
XI	Earnings per share [Nominal Value per share ₹ 10 (not annualised)]					
	- Basic	6.02	2.84	3.62	13.41	10.12
	- Diluted	6.02	2.84	3.62	13.41	10.12





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Reporting of Segment Wise Revenue, Results, Segment Assets and Liabilities

Sl. No.	Particulars	Quarter ended			Nine months ended	
		March 31, 2018	December 31, 2017	March 31, 2017	March 31, 2018	March 31, 2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Segment Revenue					
	Revenue from operations (Refer Note 5)					
	Machining solutions	2,545	2,480	2,945	7,135	7,097
	Hard metal and hard metal products	17,160	16,186	14,797	49,350	43,894
	Revenue from operations	19,705	18,666	17,742	56,485	50,991
2	Segment Results					
	Machining Solutions	313	235	612	470	620
	Hard metal and hard metal products	2,638	2,003	911	6,915	3,793
	Total	2,951	2,238	1,523	7,385	4,413
	Add / (Less) :					
	Other unallocable income	27	24	36	107	144
	Other unallocable expenditure	(315)	(781)	(591)	(1,862)	(2,005)
	Total profit before exceptional items and tax	2,663	1,481	968	5,630	2,552
3	Segment Assets					
	Machining solutions	5,781	4,859	6,184	5,781	6,184
	Hard metal and hard metal products	39,372	37,330	33,186	39,372	33,186
	Other unallocable assets	13,133	12,938	12,686	13,133	12,686
	Total assets	58,286	55,127	52,056	58,286	52,056
4	Segment Liabilities					
	Machining solutions	4,248	2,828	2,165	4,248	2,165
	Hard metal and hard metal products	10,392	10,053	9,045	10,392	9,045
	Other unallocable liabilities	1,319	1,251	1,145	1,319	1,145
	Total liabilities	15,959	14,132	12,355	15,959	12,355





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Notes to the unaudited financial results for the quarter and nine months ended March 31, 2018

- In terms of Regulation 33 of SEBI Regulations 2015, the aforesaid statement of unaudited financial results ("financial results") have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 10, 2018. The aforesaid financial results for the quarter and nine months ended March 31, 2018 have been subjected to limited review by the statutory auditors of the Company.
- The Company has adopted Indian Accounting Standards ('Ind AS') from July 1, 2017 and accordingly, the above financial results for the quarter and nine months ended March 31, 2018 have been prepared in accordance with the recognition and measurements principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016. The Company has opted to avail the relaxation provided by SEBI in respect of disclosure requirements for figures of earlier periods. Accordingly, the financial results for the year ended June 30, 2017 have not been presented.
- Reconciliation of net profit after tax under the previously applicable Generally Accepted Accounting Principles in India (referred to as "Previous GAAP") and total comprehensive income as reported in these financial results under Ind AS for the quarter and nine months ended March 31, 2017 is as below:

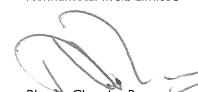
(₹ in Lakhs)

Particulars	Quarter ended March 31, 2017	Nine months ended March 31, 2017
	(Unaudited)	(Unaudited)
(a) Net Profit after tax as reported under Previous GAAP	890	2,132
Adjustments on account of:		
Employee benefit credit (Note A)	(6)	16.00
Deferred tax credit (Note B)	(89)	76.00
(b) Net profit after tax as reported under Ind AS	795	2,224
(c) Other comprehensive income, net of income tax	1	1
(d) Total comprehensive income under Ind AS (b+c)	796	2,225

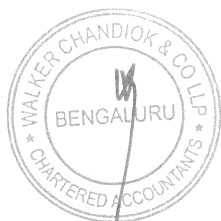
Notes to the reconciliation:

- Note A: Certain employees of the Company are granted Restricted Stock units in accordance with a share-based compensation plan managed and administered by the ultimate holding company. Accordingly, employee benefits expense has been recognised under such employee share-based payment plan as required under Ind AS 102 "Share-based Payment".
 - Note B: Deferred tax credit accounted for on temporary differences as required under Ind AS 12 "Income taxes".
- The Company had sanctioned a voluntary separation scheme for certain contract employees, and aggregate compensation paid in accordance with the said scheme has been fully charged to the Statement of Profit and Loss under Exceptional items.
 - Post implementation of Goods and Service Tax ("GST") with effect from July 1, 2017, revenue from operations is disclosed net of GST. Revenue from operations for the earlier periods included excise duty which is now subsumed in GST. Accordingly, revenue from operations for the quarter and nine months ended March 31, 2018 is not comparable with the quarter and nine months ended March 31, 2017.
 - The above unaudited financial results of the Company are available on the website of BSE (www.bseindia.com) where the shares of the Company are listed.
 - The previous period figures have been regrouped and / or reclassified wherever necessary to conform with the current period presentation.

For and on behalf of the Board of Directors of
Kennametal India Limited


Bhagya Chandra Rao
Managing Director

Place : Bengaluru
Date : May 10, 2018



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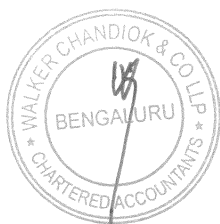
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Independent Auditor's Review Report on Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Kennametal India Limited

1. We have reviewed the accompanying statement of unaudited financial results ('Statement') of Kennametal India Limited ('the Company') for the quarter ended 31 March 2018 and the year to date results for the period 1 July 2017 to 31 March 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 the Statement based on our review.
2. 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 Statement is 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.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements 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.



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4. The Company had prepared separate financial results for the quarter ended 31 March 2017 and the year to date results for the period 1 July 2016 to 31 March 2017 in terms of the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with applicable accounting standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other accounting principles generally accepted in India. The financial results for the quarter ended 31 March 2017 and the year to date results for the period 1 July 2016 to 31 March 2017 were reviewed by the predecessor auditors, Price Waterhouse & Co Bangalore LLP, who had issued an unmodified report dated 9 May 2017 on such financial results. These financial results have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been reviewed by us in respect of financial results for the quarter ended 31 March 2017 and the year to date results for the period 1 July 2016 to 31 March 2017. Our report is not modified in respect of this matter.

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

Vijay V Singh

per Vijay Vikram Singh

Partner

Membership No. 059139

Bengaluru

10 May 2018

