



**Ref:Sec/Sto/2018/11/01**

Corporate Relationship Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai -- 400001

November 9, 2018

Dear Sirs,

Subject : Outcome of Board Meeting  
Disclosure under Regulation 30 & 33 of the SEBI (Listing Obligations and  
Disclosure Requirements) Regulations, 2015  
Ref: [Scrip Code: 505890] - Kennametal India Limited

Please refer to our letter No. Sec/Sto/2018/10/07 dated October 26, 2018, informing you of the Board Meeting of the Company on November 9, 2018, to consider, *inter alia*, the unaudited financial results for the first quarter ended September 30, 2018.

We write to inform you that at the meeting of the Board of Directors held today (November 9, 2018), the Board, *inter alia*, has approved the un-audited financial results of the Company for the first quarter ended September 30, 2018. The said results, in the prescribed format along with Limited Review Report are being attached herewith.

The Meeting commenced at 11.45 AM and after approving the aforesaid financial results, was adjourned.

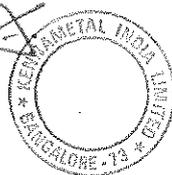
Kindly take the same on record.

Thanking You,

Yours faithfully,

For **Kennametal India Limited**

  
**K V Suresh Reddy**  
**Compliance Officer**



Encl: as above

# Walker Chandiook & Co LLP

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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 30 September 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.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No: 001076N/N500013

  
Vijay Vikram Singh  
Partner

Membership No. 059139

Bengaluru  
09 November 2018





## 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

Tel: +91 080 28394321, Fax: +91 080 28397572

### Statement of unaudited financial results for the quarter ended September 30, 2018

(All amounts in ₹ millions unless otherwise stated)

Sl. No	Particulars	Quarter ended			Year ended
		September 30, 2018	June 30, 2018	September 30, 2017	June 30, 2018
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>I</b>	<b>INCOME</b>				
	Revenue from operations (Refer note 3)	2,268	2,258	1,811	7,931
	Other income	14	42	20	84
	<b>Total income</b>	<b>2,282</b>	<b>2,300</b>	<b>1,831</b>	<b>8,015</b>
<b>II</b>	<b>EXPENSES</b>				
	Cost of materials consumed	820	722	435	2,384
	Purchase of stock-in-trade	540	504	522	2,072
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(236)	(4)	19	(272)
	Employee benefits expense	311	331	292	1,227
	Depreciation and amortisation expense	72	70	72	281
	Other expenses	406	433	342	1,516
	<b>Total expenses</b>	<b>1,913</b>	<b>2,056</b>	<b>1,682</b>	<b>7,208</b>
<b>III</b>	<b>Profit before exceptional items and tax (I-II)</b>	<b>369</b>	<b>244</b>	<b>149</b>	<b>807</b>
<b>IV</b>	Exceptional items (refer note 4)	-	(30)	-	(77)
<b>V</b>	<b>Profit before tax (III-IV)</b>	<b>369</b>	<b>214</b>	<b>149</b>	<b>730</b>
<b>VI</b>	<b>Tax expense</b>				
	Current tax	114	64	52	204
	Tax adjustments relating to earlier years	-	(46)	-	(46)
	Deferred tax charge / (credit)	11	(1)	(3)	49
	<b>Total tax expense</b>	<b>125</b>	<b>17</b>	<b>49</b>	<b>207</b>
<b>VII</b>	<b>Net profit for the period/year (V-VI)</b>	<b>244</b>	<b>197</b>	<b>100</b>	<b>523</b>
<b>VIII</b>	<b>Other comprehensive income, net of income tax</b>				
	(i) items that will not be reclassified to profit or loss	-	15	-	(32)
	Income tax relating to items that will not be reclassified to profit or loss	-	(5)	-	11
	(ii) Items that will be reclassified to profit or loss	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>(21)</b>
<b>IX</b>	<b>Total comprehensive income for the period/year (VII+VIII)</b>	<b>244</b>	<b>207</b>	<b>100</b>	<b>502</b>
<b>X</b>	<b>Paid-up of equity share capital</b> (Face Value of ₹ 10 per share)	<b>220</b>	<b>220</b>	<b>220</b>	<b>220</b>
<b>XI</b>	<b>Earnings per share</b> [Face Value of ₹ 10 per share (not annualised)]				
	- Basic (₹)	11.10	8.97	4.55	23.78
	- Diluted (₹)	11.10	8.97	4.55	23.78






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Reporting of segment wise revenue, results, segment assets and liabilities

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Particulars	Quarter ended			Year ended
		September 30, 2018	June 30, 2018	September 30, 2017	June 30, 2018
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	<b>Segment Revenue</b>				
	Revenue from operations (Refer note 3)				
	Machining solutions	304	505	211	1,222
	Hard metal and hard metal products	1,964	1,753	1,600	6,709
	<b>Revenue from operations</b>	<b>2,268</b>	<b>2,258</b>	<b>1,811</b>	<b>7,931</b>
2	<b>Segment Results</b>				
	Machining Solutions	59	71	(8)	125
	Hard metal and hard metal products	377	189	223	920
	<b>Total</b>	<b>436</b>	<b>260</b>	<b>215</b>	<b>1,045</b>
	Add / (Less) :				
	Other unallocable income	9	53	10	64
	Other unallocable expenditure	(76)	(69)	(77)	(302)
	Exceptional items	-	(30)	-	(77)
	<b>Total profit before tax</b>	<b>369</b>	<b>214</b>	<b>148</b>	<b>730</b>
3	<b>Segment Assets</b>				
	Machining solutions	731	629	434	629
	Hard metal and hard metal products	4,519	4,079	3,722	4,079
	Other unallocable assets	1,054	1,505	1,167	1,505
	<b>Total assets</b>	<b>6,304</b>	<b>6,213</b>	<b>5,323</b>	<b>6,213</b>
4	<b>Segment Liabilities</b>				
	Machining solutions	443	477	220	477
	Hard metal and hard metal products	1,050	1,151	1,048	1,151
	Other unallocable liabilities	182	198	17	198
	<b>Total liabilities</b>	<b>1,675</b>	<b>1,826</b>	<b>1,285</b>	<b>1,826</b>






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**Notes to the unaudited financial results for the quarter ended September 30, 2018**

- In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid statement of unaudited financial results ("financial results") for the quarter ended September 30, 2018 of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 9, 2018. The Statutory Auditors have carried out limited review of the above financial results. The financial results for the quarter ended 30 September 2017 have been reviewed by the predecessor Statutory Auditors of the Company.
- These financial results 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.
- As mandated by notification issued by Ministry of Corporate Affairs (MCA) under Companies (Indian Accounting Standards) (Amendments) Rule 2018, effective July 01, 2018 the Company has adopted Ind AS 115 "Revenue from Contracts with Customers", using the modified retrospective approach. The provisions of the new standard require a recognition of revenue at transaction price net of variable consideration which were earlier accounted as an expense. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and comparative information is not restated in the statement of financial results for the current quarter. Based on the assessment done by the Company, there is no material impact on the financial results for the quarter.

4 Exceptional items debited to the statement of financial results comprises of : (All amounts in ₹ millions unless otherwise stated)

Particulars	Quarter ended			Year ended
	September 30, 2018	June 30, 2018	September 30, 2017	June 30, 2018
The Company announced a voluntary retirement scheme (VRS) for its workmen. Several workmen opted for the VRS and the aggregate expenditure incurred in this regard has been fully charged to the statement of profit and loss in accordance with Ind AS - 19 "Employee Benefits".	-	30	-	30
The company also has a severance / separation scheme for certain employees and the aggregate compensation paid in accordance with the said scheme has been fully charged to the statement of profit and loss.	-	-	-	47

- The above financial results of the Company are available on the Company's website and also on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) where the shares of the Company are listed.
- The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the financial year.

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

  
Bhagya Chandra Rao  
Managing Director

Bengaluru  
November 9, 2018

