



**Ref:Sec/Sto/2020/01/05**

**February 5, 2020**

**Corporate Relationship Department**

BSE Limited

Phiroze Jeejeebhoy Towers

**Dalal Street, Mumbai – 400001**

**Subject : Outcome of Board Meeting**

**Disclosure under Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Ref : 1. [Scrip Code: 505890] - Kennametal India Limited**

**2. Our letter No. Sec/Sto/2020/01/04 dated January 24, 2020**

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Dear Sirs,

This is to inform you that the Board of Directors of the Company at its meeting held today, approved the standalone and consolidated un-audited financial results of the Company for the Second quarter and half year ended on December 31, 2019, based on the recommendation of the Audit Committee.

The meeting commenced at 1:00 PM and concluded at 4:30 PM.

Kindly take the same on record.

Thanking You,

Yours faithfully,

For **Kennametal India Limited**

**Naveen Chandra P**

**General Manager – Legal & Company Secretary**

# Walker Chandlok & Co LLP

**Walker Chandlok & Co LLP**  
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## **Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

### **To the Board of Directors of Kennametal India Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Kennametal India Limited ('the Holding Company') and Widia India Tooling Private Limited ('the subsidiary') (the Holding Company and its subsidiary together referred to as 'the Group'), for the quarter ended 31 December 2019 and the consolidated year to date results for the period 1 July 2019 to 31 December 2019, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act') and SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



**Chartered Accountants**

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandlok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

# Walker Chandiook & Co LLP

## Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular(s) and other accounting principles generally accepted in India, 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 (as amended), 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

UDIN: 20059139 AAAAAA E9790

Bengaluru

05 February 2020





## Kennametal India Limited

CIN: L27109KA1964PLC001546

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

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

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### Statement of consolidated unaudited financial results for the quarter and six months ended Decembr 31, 2019

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Particulars	Quarter ended		Six months ended	Year ended
		December 31, 2019	September 30, 2019	December 31, 2019	June 30, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>I</b>	<b>INCOME</b>				
	Revenue from operations	2,082	2,173	4,255	9,452
	Other Income	12	9	21	105
	<b>Total income</b>	<b>2,094</b>	<b>2,182</b>	<b>4,276</b>	<b>9,557</b>
<b>II</b>	<b>EXPENSES</b>				
	Cost of materials consumed	530	740	1,270	3,245
	Purchase of stock-in-trade	581	445	1,026	2,104
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	9	(47)	(38)	(363)
	Employee benefits expense	312	322	634	1,329
	Depreciation and amortisation expense	84	75	159	280
	Finance costs	7	3	10	5
	Other expenses	363	384	747	1,685
	<b>Total expenses</b>	<b>1,886</b>	<b>1,922</b>	<b>3,808</b>	<b>8,285</b>
<b>III</b>	<b>Profit before exceptional items and tax (I-II)</b>	<b>208</b>	<b>260</b>	<b>468</b>	<b>1,272</b>
<b>IV</b>	Exceptional items	(22)	(3)	(25)	-
<b>V</b>	<b>Profit before tax (III-IV)</b>	<b>186</b>	<b>257</b>	<b>443</b>	<b>1,272</b>
<b>VI</b>	<b>Tax expense/(credit)</b>				
	Current tax	48	66	114	394
	Tax adjustments relating to earlier years	5	(15)	(10)	(115)
	Deferred tax	1	1	2	89
	<b>Total tax expense</b>	<b>54</b>	<b>52</b>	<b>106</b>	<b>368</b>
<b>VII</b>	<b>Net profit for the period/year (V-VI)</b>	<b>132</b>	<b>205</b>	<b>337</b>	<b>904</b>
<b>VIII</b>	<b>Other comprehensive income, net of income tax</b>				
	(i) Items that will not be reclassified to profit or loss	(9)	-	(9)	(16)
	Income tax relating to items that will not be reclassified to profit or loss	2	-	2	6
	(ii) Items that will be reclassified to profit or loss	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>(7)</b>	<b>-</b>	<b>(7)</b>	<b>(10)</b>
<b>IX</b>	<b>Total comprehensive income for the quarter/period (VII+VIII)</b>	<b>125</b>	<b>205</b>	<b>330</b>	<b>894</b>
	<b>Profit attributable to:</b>				
	Owners	132	205	337	904
	Non-controlling interests	-	-	-	-
		<b>132</b>	<b>205</b>	<b>337</b>	<b>904</b>
	<b>Other comprehensive income attributable to:</b>				
	Owners	(7)	-	(7)	(10)
	Non-controlling interests	-	-	-	-
		<b>(7)</b>	<b>-</b>	<b>(7)</b>	<b>(10)</b>
	<b>Total comprehensive income attributable to:</b>				
	Owners	125	205	330	894
	Non-controlling interests	-	-	-	-
		<b>125</b>	<b>205</b>	<b>330</b>	<b>894</b>
<b>X</b>	<b>Paid-up of equity share capital</b> (21,978,240 shares of Face Value of ₹ 10 per share)	<b>220</b>	<b>220</b>	<b>220</b>	<b>220</b>
<b>XI</b>	<b>Other equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5010</b>
<b>XII</b>	<b>Earnings per share</b> [Face Value of ₹ 10 per share (not annualised)]				
	- Basic (₹)	6.01	9.32	15.33	41.13
	- Diluted (₹)	6.01	9.32	15.33	41.13





## Kennametal India Limited

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

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Particulars	Quarter ended		Six months ended	Year ended
		December 31, 2019	September 30, 2019	December 31, 2019	June 30, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Segment Revenue</b>				
	Revenue from operations				
	Machining solutions	457	454	911	1,597
	Hard metal and hard metal products	1,625	1,719	3,344	7,855
	<b>Revenue from operations</b>	<b>2,082</b>	<b>2,173</b>	<b>4,255</b>	<b>9,452</b>
<b>2</b>	<b>Segment Results</b>				
	Machining Solutions	117	114	231	259
	Hard metal and hard metal products	152	223	375	1,269
	<b>Total</b>	<b>269</b>	<b>337</b>	<b>606</b>	<b>1,528</b>
	<u>Add / (Less) :</u>				
	Other unallocable income	5	5	10	64
	Other unallocable expenditure	(66)	(82)	(148)	(320)
	Exceptional items	(22)	(3)	(25)	-
	<b>Total profit before tax</b>	<b>186</b>	<b>257</b>	<b>443</b>	<b>1,272</b>
<b>3</b>	<b>Segment Assets</b>				
	Machining solutions	863	1,099	863	1,147
	Hard metal and hard metal products	5,376	5,289	5,376	5,185
	Other unallocable assets	1,233	979	1,233	1,331
	<b>Total assets</b>	<b>7,472</b>	<b>7,367</b>	<b>7,472</b>	<b>7,663</b>
<b>4</b>	<b>Segment Liabilities</b>				
	Machining solutions	344	476	344	628
	Hard metal and hard metal products	1,361	1,253	1,361	1,491
	Other unallocable liabilities	210	206	210	314
	<b>Total liabilities</b>	<b>1,915</b>	<b>1,935</b>	<b>1,915</b>	<b>2,433</b>





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**Notes to the consolidated unaudited financial results for the quarter and six months ended December 31, 2019**

1 In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the aforesaid statement of consolidated unaudited financial results ("financial results") for the quarter and six months ended December 31, 2019 of the Group have been reviewed by the Audit Committee of the Group and approved by the Board of Directors at their meeting held on February 05, 2020. The aforesaid financial results for the quarter and six months ended December 31, 2019 have been reviewed by the statutory auditors of the Company.

2 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 (as amended) and SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016.

3 The Group has adopted Ind AS 116 "Leases", with effect from July 01, 2019, as notified by the Ministry of Corporate Affairs (MCA), in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using modified retrospective method. The adoption of this standard did not have any material impact on the profit of the quarter and six months ended December 31, 2019.

4 The summarised standalone financial performance of the parent company is as under: (All amounts in ₹ millions unless otherwise stated)

Particulars	Quarter ended		Six months ended	Year ended
	December 31, 2019	September 30, 2019	December 31, 2019	June 30, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Total revenue (including other income)	1,922	2,011	3,933	9,409
Profit before tax	175	256	431	1,216
Profit after tax	123	203	326	863
Total comprehensive Income for the quarter/year ended	116	203	319	853

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

Particulars	Quarter ended		Six months ended	Year ended
	December 31, 2019	September 30, 2019	December 31, 2019	June 30, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
The Company announced a voluntary retirement scheme (VRS) for its workmen. Few workmen opted for the scheme 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".	22	-	22	-
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.	-	3	3	-

6 The above financial results of the Group are available on the parent company's website and also on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) where the shares of the parent company are listed.

7 The Group has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the taxation laws (Amendment)' Ordinance, 2019. Accordingly the Group has recognised provision for income tax for the six months ended December 31, 2019 and re-measured its deferred tax liabilities (net) basis at the rate prescribed in the said section. The full impact of these changes has been recognised in the statement of profit and loss for the quarter ended December 31, 2019.

8 The consolidated financial results include Widia India Tooling Private Limited, wholly owned subsidiary, incorporated on December 13, 2018, the operations of which have commenced from April 01, 2019. WITPL is set up as a trading company which specializes in hard metal and hard metal products under the brand "WIDIA". Hence the comparative figures for the Quarter Ended December 31, 2018 and the statement of cash flows for the six months ended December 31, 2018 have not been presented.



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

Bhagya Chandra Rao  
Managing Director

Bengaluru  
February 05, 2020



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Statement of consolidated unaudited assets and liabilities as at December 31, 2019

(All amounts in ₹ millions unless otherwise stated)

Particulars	Unaudited	Audited
	As at December 31, 2019	As at June 30, 2019
<b>I. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Property, plant and equipment	2,108	1,836
(b) Capital work-in-progress	603	671
(c) Investment properties	0	0
(d) Intangible assets	1	2
(e) Financial assets		
(i) Loans	0	0
(ii) Other financial assets	21	18
(f) Deferred tax assets (net)	3	3
(g) Income tax assets (net)	394	363
(h) Other non-current assets	152	208
<b>Total non-current assets</b>	<b>3,282</b>	<b>3,101</b>
<b>2. Current assets</b>		
(a) Inventories	2,032	2,091
(b) Financial assets		
(i) Trade receivables	1,414	1,658
(ii) Cash and cash equivalents	594	637
(iii) Bank balances other than cash and cash equivalents	1	2
(iv) Loans	2	2
(v) Other financial assets	8	7
(c) Other current assets	139	165
<b>Total current assets</b>	<b>4,190</b>	<b>4,562</b>
<b>TOTAL ASSETS</b>	<b>7,472</b>	<b>7,663</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>1. Equity</b>		
(a) Equity share capital	220	220
(b) Other equity	5,337	5,010
<b>Equity attributable to Owners</b>	<b>5,557</b>	<b>5,230</b>
Non-controlling interests	0	0
<b>Total Equity</b>	<b>5,557</b>	<b>5,230</b>
<b>2. Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
Other financial liabilities	1	1
(b) Provisions	60	56
(c) Deferred tax liabilities (net)	17	17
<b>Total non-current liabilities</b>	<b>78</b>	<b>74</b>
<b>Current Liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	280	100
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	38	37
Total outstanding dues of creditors other than micro enterprises and small enterprises	794	1,252
(ii) Other financial liabilities	137	275
(b) Provisions	204	210
(c) Current tax liabilities (net)	5	10
(d) Other current liabilities	379	475
<b>Total current liabilities</b>	<b>1,837</b>	<b>2,359</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,472</b>	<b>7,663</b>





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Statement of consolidated unaudited cash flow for the half year ended December 31, 2019

(All amounts in ₹ millions unless otherwise stated)

Particulars	Period ended December 31, 2019 (Unaudited)
<b>Cash flow from operating activities</b>	
<b>Profit before taxation and exceptional items</b>	<b>468</b>
<b>Adjustments for:</b>	
Depreciation and amortisation expense	159
Dividend Income	(2)
Provision for doubtful debts and deposits written back	(3)
Provision for product support	13
Loss/(profit) on sale of property, plant and equipments (net)	0
Interest Expense	10
Interest income	(0)
Unrealised foreign exchange (gain)/ loss (net)	(1)
Employee share based expense	6
<b>Operating profit before working capital changes</b>	<b>650</b>
<b>Adjustment for working capital changes:</b>	
Decrease in inventories	59
Decrease in trade and other receivables	270
Decrease in financial assets	1
Decrease in other liabilities and provisions	(750)
<b>Cash generated from operations</b>	<b>230</b>
Taxes paid (net of refunds)	(141)
<b>Net cash generated from operations (1)</b>	<b>89</b>
<b>Cash flow from investing activities</b>	
Purchase of property, plant and equipment	(306)
Dividend received on mutual funds	2
Sale proceeds of property, plant and equipment	3
Interest received	(0)
<b>Net Cash used in investing activities (2)</b>	<b>(301)</b>
<b>Cash flow from financing activities</b>	
Working capital loan from bank	150
Loan from fellow subsidiary	30
Interest paid	(10)
Unclaimed dividend paid	(1)
<b>Net Cash used in Financing activities (3)</b>	<b>169</b>
<b>Net increase in cash and cash equivalents (1+2+3)</b>	<b>(43)</b>
Add: Cash and cash equivalents at the beginning of the period	637
<b>Cash and cash equivalents at the end of the period</b>	<b>594</b>
<b>Cash and cash equivalent as per above comprises of the following</b>	
Cash and cash equivalent	594
<b>Balance as per statement of cash flows</b>	<b>594</b>



Reconciliation of liabilities arising from financing activities:

	Current borrowings		Interest payable on borrowings	Dividend paid to company share holders
	Working capital loan from bank	Loan from fellow subsidiary		
Balance as at July 01, 2019	-	100	-	2
Finance cost accrual	-	-	10	-
Cash flows	150	30	(10)	-
<b>Balance as at December 31, 2019</b>	<b>150</b>	<b>130</b>	<b>-</b>	<b>1</b>





# Walker Chandlok & Co LLP

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## **Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

### **To the Board of Directors of Kennametal India Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of Kennametal India Limited ('the Company') for the quarter ended 31 December 2019 and the year to date results for the period 1 July 2019 to 31 December 2019 being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Attention is drawn to the fact that the cash flow figures for the corresponding six month period ended 31 December 2018 have been approved by the Company's Board of Directors, but have not been subjected to audit or review.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



# Walker Chandiook & Co LLP

## Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

4. 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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular(s), and other accounting principles generally accepted in India, 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 (as amended), 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

UDIN: 20059139 AAAAA D1134

Bengaluru

05 February 2020





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### Statement of standalone unaudited financial results for the quarter and six months ended December 31, 2019

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	June 30, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>I</b>	<b>INCOME</b>						
	Revenue from operations	1,897	1,979	2,337	3,876	4,605	9,269
	Other income	25	32	29	57	43	140
	<b>Total income</b>	<b>1,922</b>	<b>2,011</b>	<b>2,366</b>	<b>3,933</b>	<b>4,648</b>	<b>9,409</b>
<b>II</b>	<b>EXPENSES</b>						
	Cost of materials consumed	530	740	801	1,270	1,621	3,245
	Purchase of stock-in-trade	487	335	549	822	1,089	1,993
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	0	(52)	(142)	(52)	(378)	(303)
	Employee benefits expense	284	293	325	577	637	1,301
	Depreciation and amortisation expense	83	75	63	158	140	280
	Finance costs	3	2	1	5	1	5
	Other expenses	338	359	415	697	822	1,672
	<b>Total expenses</b>	<b>1,725</b>	<b>1,752</b>	<b>2,019</b>	<b>3,477</b>	<b>3,932</b>	<b>8,193</b>
<b>III</b>	<b>Profit before exceptional items and tax (I-II)</b>	<b>197</b>	<b>259</b>	<b>347</b>	<b>456</b>	<b>716</b>	<b>1,216</b>
<b>IV</b>	Exceptional items (refer note 4)	(22)	(3)	-	(25)	-	-
<b>V</b>	<b>Profit before tax (III-IV)</b>	<b>175</b>	<b>256</b>	<b>347</b>	<b>431</b>	<b>716</b>	<b>1,216</b>
<b>VI</b>	<b>Tax expense/(credit)</b>						
	Current tax (refer note 6)	46	65	95	111	209	376
	Tax adjustments relating to earlier years	5	(13)	(115)	(8)	(115)	(115)
	Deferred tax	1	1	60	2	71	92
	<b>Total tax expense</b>	<b>52</b>	<b>53</b>	<b>40</b>	<b>105</b>	<b>165</b>	<b>353</b>
<b>VII</b>	<b>Net profit for the period/year (V-VI)</b>	<b>123</b>	<b>203</b>	<b>307</b>	<b>326</b>	<b>551</b>	<b>863</b>
<b>VIII</b>	<b>Other comprehensive income, net of income tax</b>						
	(i) Items that will not be reclassified to profit or loss	(9)	-	-	(9)	-	(16)
	Income tax relating to items that will not be reclassified to profit or loss	2	-	-	2	-	6
	(ii) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>(7)</b>	<b>-</b>	<b>-</b>	<b>(7)</b>	<b>-</b>	<b>(10)</b>
<b>IX</b>	<b>Total comprehensive income for the quarter/period (VII+VIII)</b>	<b>116</b>	<b>203</b>	<b>307</b>	<b>319</b>	<b>551</b>	<b>853</b>
<b>X</b>	<b>Paid-up of equity share capital</b> (21,978,240 shares of Face Value of ₹ 10 per share)	<b>220</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>220</b>	<b>220</b>
<b>XI</b>	<b>Other equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,969</b>
<b>XII</b>	<b>Earnings per share</b> [Face Value of ₹ 10 per share (not annualised)]						
	- Basic (₹)	5.60	9.24	13.97	14.83	25.07	39.30
	- Diluted (₹)	5.60	9.24	13.97	14.83	25.07	39.30





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

(All amounts in ₹ millions unless otherwise stated)

Sl. No.	Particulars	Quarter ended			Six months ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	June 30, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Segment Revenue</b>						
	<i>Revenue from operations:</i>						
	Machining solutions	457	454	288	911	592	1,597
	Hard metal and hard metal products	1,440	1,525	2,049	2,965	4,013	7,672
	<b>Revenue from operations</b>	<b>1,897</b>	<b>1,979</b>	<b>2,337</b>	<b>3,876</b>	<b>4,605</b>	<b>9,269</b>
2	<b>Segment Results</b>						
	Machining Solutions	117	114	57	231	116	259
	Hard metal and hard metal products	131	219	353	350	730	1,212
	<b>Total</b>	<b>248</b>	<b>333</b>	<b>410</b>	<b>581</b>	<b>846</b>	<b>1,471</b>
	<i>Add / (Less):</i>						
	Other unallocable income	5	5	11	10	20	64
	Other unallocable expenditure	(56)	(79)	(74)	(135)	(150)	(319)
	Exceptional items	(22)	(3)	-	(25)	-	-
	<b>Total profit before tax</b>	<b>175</b>	<b>256</b>	<b>347</b>	<b>431</b>	<b>716</b>	<b>1,216</b>
3	<b>Segment Assets</b>						
	Machining solutions	863	1,099	892	863	892	1,147
	Hard metal and hard metal products	5,069	4,983	4,829	5,069	4,829	4,920
	Other unallocable assets	1,245	920	1,110	1,245	1,110	1,480
	<b>Total assets</b>	<b>7,177</b>	<b>7,002</b>	<b>6,831</b>	<b>7,177</b>	<b>6,831</b>	<b>7,547</b>
4	<b>Segment Liabilities</b>						
	Machining solutions	344	476	528	344	528	629
	Hard metal and hard metal products	1,137	942	1,212	1,137	1,212	1,434
	Other unallocable liabilities	189	194	154	189	154	295
	<b>Total liabilities</b>	<b>1,670</b>	<b>1,612</b>	<b>1,894</b>	<b>1,670</b>	<b>1,894</b>	<b>2,358</b>





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**Notes to the standalone unaudited financial results for the quarter and six months ended December 31, 2019**

1 In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the aforesaid statement of standalone unaudited financial results ("financial results") for the quarter and six months ended December 31, 2019 of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 05, 2020. The aforesaid financial results for the quarter and six months ended December 31, 2019 have been reviewed by the statutory auditors of the Company.

2 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 (as amended) and SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016.

3 The Company has adopted Ind AS 116 "Leases", with effect from July 01, 2019, as notified by the Ministry of Corporate Affairs (MCA), in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using modified retrospective method. The adoption of this standard did not have any material impact on the profit of the quarter and six months ended December 31, 2019.

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

Particulars	Quarter ended			Six months ended		Year ended
	December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	June 30, 2019
The Company announced a voluntary retirement scheme (VRS) for its workmen. Few workmen opted for the scheme 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".	22	-	-	22	-	-
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.	-	3	-	3	-	-

5 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.

6 The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the taxation laws (Amendment) Ordinance, 2019. Accordingly the Company has recognised provision for income tax for the quarter and six months ended December 31, 2019 and re-measured its deferred tax liabilities (net) basis the rate prescribed in the said section. The full impact of these changes has been recognised in the statement of standalone profit and loss for the quarter ended December 31, 2019.

7 The cash flow figures for the corresponding six months ended 31 December 2018 have been approved by the Company's Board of Directors, but have not been subjected to audit or review.

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

Bhagya Chandra Rao  
Managing Director

Bengaluru  
February 05, 2020





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**Statement of standalone unaudited assets and liabilities as at December 31, 2019**

(All amounts in ₹ millions unless otherwise stated)

Particulars	Unaudited As at December 31, 2019	Audited As at June 30, 2019
<b>I. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Property, plant and equipment	2,104	1,834
(b) Capital work-in-progress	603	672
(c) Investment properties	0	0
(d) Intangible assets	0	1
(e) Investment in subsidiary	0	0
(f) Financial assets		
(i) Loans	0	0
(ii) Other financial assets	21	18
(g) Income tax assets (net)	394	363
(h) Other non-current assets	153	209
<b>Total non-current assets</b>	<b>3,275</b>	<b>3,097</b>
<b>2. Current assets</b>		
(a) Inventories	1,986	2,031
(b) Financial assets		
(i) Trade receivables	1,143	1,445
(ii) Cash and cash equivalents	524	437
(iii) Bank balances other than cash and cash equivalents	1	2
(iv) Loans	102	352
(v) Other financial assets	8	18
(c) Other current assets	138	165
<b>Total current assets</b>	<b>3,902</b>	<b>4,450</b>
<b>TOTAL ASSETS</b>	<b>7,177</b>	<b>7,547</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>1. Equity</b>		
(a) Equity share capital	220	220
(b) Other equity	5,287	4,969
<b>Total equity</b>	<b>5,507</b>	<b>5,189</b>
<b>2. Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Other financial liabilities	1	1
(b) Provisions	58	57
(c) Deferred tax liabilities (net)	17	17
<b>Total non-current liabilities</b>	<b>76</b>	<b>75</b>
<b>Current Liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	130	100
(ii) Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	38	37
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	755	1,221
(iii) Other financial liabilities	129	269
(b) Provisions	189	198
(c) Other current liabilities	353	458
<b>Total current liabilities</b>	<b>1,594</b>	<b>2,283</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,177</b>	<b>7,547</b>





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**Statement of standalone unaudited cash flows for the period ended December 31, 2019**

(All amounts in ₹ millions unless otherwise stated)

Particulars	Period ended December 31, 2019 (Unaudited)	Period ended December 31, 2018 (Unaudited) (refer note 7)
<b>Cash flow from operating activities</b>		
<b>Profit before taxation and exceptional items</b>	<b>456</b>	<b>716</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	158	140
Dividend income	(2)	-
Liabilities no longer required written back	-	(14)
Provision for doubtful debts and deposits written back	(3)	-
Provision for product support	9	19
Provision for disputed taxes and duties	-	(17)
Loss/(Profit) on sale of property, plant and equipment (net)	0	(2)
Interest expense	5	-
Interest income	(9)	(4)
Unrealised foreign exchange (gain)/ loss (net)	(1)	0
Employee share based expense	5	4
<b>Operating profit before working capital changes</b>	<b>618</b>	<b>842</b>
Adjustment for working capital changes:		
Decrease / (Increase) in inventories	45	(528)
Decrease / (Increase) in trade and other receivables	587	(214)
Decrease in financial assets	1	1
Decrease in other liabilities and provisions	(991)	(27)
<b>Cash generated from operations</b>	<b>260</b>	<b>74</b>
Taxes paid (net of refunds)	(134)	(273)
<b>Net cash generated from operations (1)</b>	<b>126</b>	<b>(199)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(329)	(353)
Interest received on loan to subsidiary	9	-
Loan to subsidiary	(100)	-
Repayment of loan by subsidiary	350	-
Sale proceeds of property, plant and equipment	3	3
Dividend received on investments	2	-
Interest received	2	4
<b>Net cash used in investing activities (2)</b>	<b>(63)</b>	<b>(346)</b>
<b>Cash flow from financing activities</b>		
Loan from fellow subsidiary	30	100
Interest paid	(5)	-
Unclaimed dividend paid	(1)	(1)
<b>Net cash used in financing activities (3)</b>	<b>24</b>	<b>99</b>
<b>Net increase in cash and cash equivalents (1+2+3)</b>	<b>87</b>	<b>(446)</b>
Add: Cash and cash equivalents at the beginning of the year	437	945
<b>Cash and cash equivalents at the end of the period</b>	<b>524</b>	<b>499</b>
<b>Cash and cash equivalent as per above comprises of the following</b>		
Cash and cash equivalent	524	499
<b>Balance as per statement of cash flows</b>	<b>524</b>	<b>499</b>

**Reconciliation of liabilities arising from financing activities:**

	Current borrowings	Interest payable on borrowings	Dividend paid to company share holders
<b>Balance as at July 01, 2019</b>	<b>100</b>	<b>-</b>	<b>2</b>
Finance cost accrual	-	5	-
Cash flows	30	(5)	(1)
<b>Balance as at December 31, 2019</b>	<b>130</b>	<b>-</b>	<b>1</b>

