

KIRLOSKAR FERROUS INDUSTRIES LIMITED

Regd. Office : 13, Laxmanrao Kirloskar Road,
Khadki, Pune - 411 003 (Maharashtra State)



Enriching Lives

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2008

(Rs. in Crores)

Sr. No.	Particulars	Quarter Ended		Year Ended	
				Audited	Audited
		31/03/2008	31/03/2007	31/03/2008	31/03/2007
1	Net sales / Income from operations	195.77	173.18	726.45	525.13
2	Other Income	5.56	2.52	18.35	6.43
3	Total Income (1+2)	201.33	175.70	744.80	531.56
4	Expenditure				
	(a) (Increase) / Decrease in stock - in - trade and work in progress	(2.53)	1.51	(10.12)	(7.79)
	(b) Consumption of raw materials	154.52	112.59	540.31	369.63
	(c) Purchase of Traded Goods	-	-	-	-
	(d) Employees Cost	9.67	6.82	29.69	18.48
	(e) Depreciation	5.36	4.38	18.54	13.99
	(f) Other expenditure	20.34	20.44	92.18	63.76
	(g) Total	187.36	145.74	670.60	458.07
5	Interest	2.38	1.70	8.39	6.93
6	Exceptional Items	-	-	-	-
7	Profit (+) / Loss (-) from Ordinary Activities before Tax (3)-(4+5+6)	11.59	28.26	65.81	66.56
8	Tax Expenses				
	(a) Wealth Tax	0.01	0.01	0.02	0.02
	(b) Current Tax	0.46	1.85	3.73	3.96
	(c) Fringe Benefit Tax	0.07	0.06	0.23	0.13
	(d) Deferred Tax	(3.21)	4.61	12.80	18.33
	(e) Adjustment of previous years (net)	-	-	-	(0.34)
	Total Tax Expenses	(2.67)	6.53	16.78	22.10
9	Net Profit (+) / Loss (-) from Ordinary Activities after Tax (7-8)	14.26	21.73	49.03	44.46
10	Extraordinary Items	-	-	-	-
11	Net Profit (+) / Loss (-) for the period (9-10)	14.26	21.73	49.03	44.46
12	Paid - up equity share capital (Face value Rs. 5/- each)	68.50	68.50	68.50	68.50
13	Reserves excluding Revaluation Reserves as per Balance sheet of previous accounting year	-	-	231.64	194.63
14	Earnings Per Share (EPS) (Rupees)				
	(a) Basic EPS before Extraordinary items	1.04	2.43	3.58	5.24
	Diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualised)	0.88	-	3.03	-
	(b) Basic EPS after Extraordinary items	1.04	2.43	3.58	5.24
	Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualised)	0.88	-	3.03	-
15	Public Shareholding				
	- Number of shares	56,537,545	56,537,545	56,537,545	56,537,545
	- Percentage of shareholding	41.27	41.27	41.27	41.27

Notes:

- The Company operates only in one segment namely Iron Castings.
- The above results have been reviewed by the Audit Committee and have been approved by the Board of Directors at their respective meetings held on June 19, 2008.
- Out of the Rights Issue proceeds of Rs. 226.74 Crores, Rs. 206.87 Crores has been utilised towards the objects of the Rights Issue (including Rights Issue expenses) and the balance amount of Rs. 19.87 Crores has been invested in Fixed Deposit pending utilisation for the objects of the Rights Issue. In case of one of the objects of the Rights Issue, i.e. the installation of Hot Blast Stoves for MBF - I, the actual expenditure has amounted to Rs. 19.42 Crores as against Rs. 19.13 Crores mentioned in the Letter of Offer dated January 2, 2007.
- In terms of the Letter of Offer dated January 2, 2007, the Warrant Exercise Period has commenced on March 13, 2008. During the period from March 13, 2008 to March 31, 2008, the Company has received 13 applications for the conversion of 1,880 Warrants into Equity Shares aggregating to Rs. 65,800/-. Out of which, 2 applications for the conversion of 380 Warrants were returned due to non - realisation of the application money. The Company has received 11 valid applications for the conversion of 1,500 Warrants aggregating to Rs. 52,500/-.
- The Board of Directors at its meeting held on February 20, 2008 had declared an Interim Dividend of 15 percent (75 paise per Equity Share) on the Equity Share capital of the Company. The Interim Dividend was paid on March 18, 2008 to those members, whose names appeared in the Register of Members on the Record Date, i.e. March 7, 2008.
- Consequent to the change in the Accounting Policy at Hospet Plant in respect of valuation of Raw Materials and Stores & Spares from First in First out basis to Weighted Average Cost formula, the Inventory value has been lower by Rs. 1,684,641/- and the Profit after tax is lower by Rs. 1,156,675/-.
- Consequent to the notification of the Companies (Accounting Standards) Rules, 2006, with effect from April 1, 2007, the foreign exchange differences in respect of liabilities for the acquisition of imported assets are required to be recognized in the profit and loss account against the earlier requirement of adjusting these differences to the carrying cost of such fixed assets. As a result, the Profit for the year is higher by Rs. 459,839/- net of taxes.
- Short term compensated absence benefits (both vesting and non-vesting) are accounted for on the basis of the actual valuation of the leave entitlement as on the balance sheet date. Hitherto the vesting short term compensated absences were accounted for on claim basis. Had the Company continued to follow the earlier policy the profit before tax for the year would have been higher by Rs. 936,361/-.
- Figures have been regrouped wherever necessary. In view of the acquisition of the Castings Division at Shivashahi, Solapur from Kirloskar Oil Engines Limited on a going concern basis with effect from January 1, 2007, the figures of the year are not strictly comparable with that of the previous year.
- There was no investor complaint pending at the beginning of the quarter. 263 complaints received during the quarter and 263 were duly redressed. There was no investor complaint pending at the end of the quarter.

For KIRLOSKAR FERROUS INDUSTRIES LIMITED

R. V. Gumaste
Managing Director

Place : Pune
Date : June 19, 2008