

Price Waterhouse & Co Chartered Accountants LLP

Review Report

To
The Board of Directors
Kennametal India Limited
8/9th Mile, Tumkur Road
Bengaluru - 560073

1. We have reviewed the unaudited financial results of Kennametal India Limited (the "Company") for the quarter ended March 31, 2024 and the year to date results for the period July 1, 2023 to March 31, 2024, which are included in the accompanying "Statement of Unaudited Financial Results for the quarter and nine months ended March 31, 2024" (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015").
2. The Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013, 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 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 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 Standards on Auditing 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.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E300009

SHIVAKUMAR

RAJGOPAL HEGDE

Shivakumar Hegde

Partner

Membership Number: 204627

UDIN: 24204627BKGXZZ5553

Digitally signed by SHIVAKUMAR
RAJGOPAL HEGDE

Date: 2024.05.09 17:15:22 +05'30'

May 9, 2024
Bengaluru

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)



Kennametal India Limited

CIN: L27109KA1964PLC001546

Regd Office : 8/9th Mile, Tumkur Road, Bengaluru - 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, 2024

(All amounts in ₹ millions, except per share data)

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023	June 30, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	INCOME						
	Revenue from operations	2,688	2,708	2,557	7,975	7,978	10,771
	Other income	50	22	14	89	38	52
	Total income	2,738	2,730	2,571	8,064	8,016	10,823
II	EXPENSES						
	Cost of materials consumed	675	776	687	2,153	2,336	2,915
	Purchase of stock-in-trade	788	729	793	2,248	2,224	2,886
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(87)	(42)	(22)	(164)	(190)	200
	Employee benefits expense	376	378	370	1,124	1,102	1,485
	Finance costs	1	5	-	6	-	2
	Depreciation and amortisation expense	109	110	99	323	281	389
	Other expenses	486	440	424	1,388	1,356	1,770
	Total expenses	2,348	2,396	2,351	7,078	7,109	9,647
III	Profit before exceptional item and tax (I-II)	390	334	220	986	907	1,176
IV	Exceptional item (refer note 3)	127	-	-	127	-	-
V	Profit before tax (III+IV)	517	334	220	1,113	907	1,176
VI	Tax expense						
	Current tax	102	90	48	270	213	286
	Current tax adjustments relating to earlier years	-	-	11	-	11	11
	Deferred tax charge / (credit)	32	(5)	5	40	(7)	2
	Total tax expense	134	85	64	310	217	299
VII	Net profit for the period/year (V-VI)	383	249	156	803	690	877
VIII	Other comprehensive income/ (loss), net of income tax						
	(i) Items that will not be reclassified to profit or loss	3	(4)	(22)	(1)	(22)	(20)
	Income tax relating to items that will not be reclassified to profit or loss	(1)	1	6	0	6	5
	Total other comprehensive income/ (loss), net of income tax	2	(3)	(16)	(1)	(16)	(15)
IX	Total comprehensive income for the period/ year, net of income tax (VII+VIII)	385	246	140	802	674	862
X	Paid-up of equity share capital	220	220	220	220	220	220
	(21,978,240 shares of face value of ₹ 10 per share)						
XI	Other equity						6,663
XII	Earnings per share						
	[Face Value of ₹ 10 per share (not annualised)]						
	- Basic (₹)	17.43	11.33	7.10	36.53	31.39	39.91
	- Diluted (₹)	17.43	11.33	7.10	36.53	31.39	39.91



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Reporting of segment wise revenue, results, segment assets and liabilities for the quarter and nine months ended March 31, 2024

(All amounts in ₹ millions, except per share data)

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023	June 30, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
	Revenue from operations						
	Machining solutions	322	385	273	932	1,054	1,497
	Hard metal and hard metal products	2,366	2,323	2,284	7,043	6,924	9,274
	Revenue from operations	2,688	2,708	2,557	7,975	7,978	10,771
2	Segment Results						
	Machining solutions	23	40	7	53	59	108
	Hard metal and hard metal products	421	394	300	1,145	1,098	1,384
	Total	444	434	307	1,198	1,157	1,492
	<u>Add / (Less) :</u>						
	Interest expense	(1)	(5)	-	(6)	-	(2)
	Interest income	28	9	-	38	-	2
	Other unallocable income	15	9	8	35	22	30
	Other unallocable expenditure	(96)	(113)	(95)	(279)	(272)	(346)
	Exceptional item (refer note 3)	127	-	-	127	-	-
	Total profit before tax	517	334	220	1,113	907	1,176
3	Segment Assets						
	Machining solutions	1,043	1,125	1,099	1,043	1,099	1,005
	Hard metal and hard metal products	6,243	6,085	6,443	6,243	6,443	6,047
	Other unallocable assets	2,120	1,687	1,357	2,120	1,357	1,458
	Total assets	9,406	8,897	8,899	9,406	8,899	8,510
4	Segment Liabilities						
	Machining solutions	530	529	526	530	526	535
	Hard metal and hard metal products	1,067	962	1,182	1,067	1,182	971
	Other unallocable liabilities	118	100	54	118	54	121
	Total liabilities	1,715	1,591	1,762	1,715	1,762	1,627



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Notes to the Unaudited Financial Results for the quarter and nine months ended March 31, 2024

1 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 and nine months ended March 31, 2024 of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 9, 2024. The aforesaid financial results for the quarter and nine months ended March 31, 2024 have been reviewed by the statutory auditors of the Company.

2 The Unaudited financial results have been prepared in accordance with the recognition and measurements principles of applicable Indian Accounting Standards notified 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 relevant SEBI circulars.

3 Exceptional item credited to the financial result comprises of:

All amounts in ₹ millions

SI No	Description	Quarter ended			Nine months ended		Year ended
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023	June 30, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Interest Income on Income Tax refund	127	-	-	127	-	-

During the quarter ended March 31, 2024, the Company received the order giving effect (OGE) from the tax assessing officer, revising the tax payable and calculating the amount of refund of tax and related interest for tax assessment years 2008-09, 2009-10, 2010-11 and 2011-12, giving effect to the favourable order of the Commissioner Income Tax (Appeals) pertaining to the transfer pricing dispute on Information Technology cross charge paid to the Kennametal Inc., USA (the ultimate holding company). The refund is pending with the Centralized Processing Center of the Income Tax Department and the Company expects to realize the refund amount including interest in the near foreseeable future. Considering the nature and incidence, the aggregate interest income on income tax refund of ₹127.42 (December 31, 2023: Nil) recognized during the quarter ended March 31, 2024 has been disclosed as an exceptional item in the financial results.

4 The above financial results of the Company are available on the Company's website and also on the website of BSE (www.bseindia.com) where the shares of the Company are listed.

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

Bengaluru
May 9, 2024

Vijaykrishnan
Venkatesan
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Date: 2024.05.09 17:07:28 +05'30'

Venkatesan Vijaykrishnan
Managing Director