

Date: 3rd June 2022

BSE Scrip Code: **533293**

To
Corporate Relationship Department
BSE Limited
1st Floor, Rotunda Building,
Dalal Street, Fort,
Mumbai – 400 001

NSE Scrip Code: **KIRLOSENG**

To
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C -1, Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Dear Sir / Madam,

Subject: Disclosure of Related Party Transactions pursuant to Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half-year ended 31st March, 2022

Pursuant to Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including amendments thereunder, please find enclosed disclosures of related party transactions, in the revised format, as prescribed by SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021, for the half year ended 31st March 2022.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For Kirloskar Oil Engines Limited

Smita Raichurkar
Company Secretary and Head Legal

Encl.: As above.

Disclosure of related party transactions for the half year ended 31 March 2022-

Rs in Crores

S. No	Details of the party (listed entity /subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments				Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)			
	Name	PAN*	Name	PAN*	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)		Interest Rate (%)	Tenure	Secured/ unsecured
1	Kirloskar Oil Engines Limited		Kirloskar Solar Technologies Private Limited		Entity controlled by Key Managerial Personnel	Purchases of capital goods (includes CWIP)	As approved by the Audit Committee of the Company	-	(1.29)	(1.39)								
2	Kirloskar Oil Engines Limited		Kirloskar Solar Technologies Private Limited		Entity controlled by Key Managerial Personnel	Expenses paid	As approved by the Audit Committee of the Company	0.46										
3	Kirloskar Oil Engines Limited		Kirloskar Solar Technologies Private Limited		Entity controlled by Key Managerial Personnel	Capital commitment		Refer Note 3 below										
4	Kirloskar Oil Engines Limited		Atul C. Kirloskar		Key Managerial Personnel	Sale of capital goods		0.00										
5	Kirloskar Oil Engines Limited		Atul C. Kirloskar		Key Managerial Personnel	Rendering of services (Refer Note 1)		4.00										
6	Kirloskar Oil Engines Limited		Atul C. Kirloskar		Key Managerial Personnel	Expenses paid		0.15	(0.01)	(2.50)								
7	Kirloskar Oil Engines Limited		Atul C. Kirloskar		Key Managerial Personnel	Interim dividend and final dividend paid		1.98										
8	Kirloskar Oil Engines Limited		Sanjeev Nimkar (upto 27 January 2022)		Key Managerial Personnel	Rendering of services (Refer Note 1)		1.15	(0.01)	(0.66)								
9	Kirloskar Oil Engines Limited		Sanjeev Nimkar (upto 27 January 2022)		Key Managerial Personnel	Expenses paid		0.01										
10	Kirloskar Oil Engines Limited		Rahul C. Kirloskar		Close member of Key Managerial Personnel	Rendering of services (Refer Note 1)		0.08										
11	Kirloskar Oil Engines Limited		Rahul C. Kirloskar		Close member of Key Managerial Personnel	Interim dividend and final dividend paid		2.40	-	(0.06)								
12	Kirloskar Oil Engines Limited		Gauri A. Kirloskar (Kolenaty)		Close member of Key Managerial Personnel	Rendering of services (Refer Note 1)		0.46										
13	Kirloskar Oil Engines Limited		Gauri A. Kirloskar (Kolenaty)		Close member of Key Managerial Personnel	Interim dividend and final dividend paid		0.78	-	(0.44)								
14	Kirloskar Oil Engines Limited		ESVA Pumps India Private Limited (w.e.f 4 October 2021)		Associate or joint venture of step down subsidiary	Purchase of goods	As approved by the Audit Committee of the Company	30.02	-	(2.81)								
15	Kirloskar Oil Engines Limited		Aditi A. Kirloskar		Close member of Key Managerial Personnel	Interim dividend and final dividend paid		0.26	-	-								
16	Kirloskar Oil Engines Limited		Arti A. Kirloskar		Close member of Key Managerial Personnel	Interim dividend and final dividend paid		0.43	-	-								
17	Kirloskar Oil Engines Limited		Suman C. Kirloskar		Close member of Key Managerial Personnel	Interim dividend and final dividend paid		0.01	-	-								
18	Kirloskar Oil Engines Limited		Navsai Investments Private Limited		Entity controlled by Key Managerial Personnel	Interim dividend and final dividend paid		0.00	-	-								
19	Kirloskar Oil Engines Limited		Alpak Investments Private Limited		Entity controlled by Close Member of Key Managerial Personnel	Interim dividend and final dividend paid		0.00	-	-								
20	Kirloskar Oil Engines Limited		Kirloskar Oil Engines Limited Officers' Superannuation Scheme		Post employment benefit plan of the Company	Contributions Paid		0.86	(0.45)	(0.43)								
21	Kirloskar Oil Engines Limited		Kirloskar Oil Engines Limited Officers' Superannuation Trust		Post employment benefit plan of the Company	Contributions Paid		0.04	(0.02)	(0.06)								
22	Kirloskar Oil Engines Limited		Kirloskar Americas Corporation		Subsidiary Company	Sale of goods	As approved by the Audit Committee of the Company	9.56	14.01	13.00								
23	Kirloskar Oil Engines Limited		Kirloskar Americas Corporation		Subsidiary Company	Investment in equity shares		-	1.59	1.59								
24	Kirloskar Oil Engines Limited		La-Gajjar Machineries Private Limited		Subsidiary Company	Purchase of goods	As approved by the Audit Committee of the Company	27.12	(8.04)	(11.96)								
25	Kirloskar Oil Engines Limited		La-Gajjar Machineries Private Limited		Subsidiary Company	Interest accrued on preference share investment		0.34	0.36	0.70								
26	Kirloskar Oil Engines Limited		La-Gajjar Machineries Private Limited		Subsidiary Company	Reimbursement / (recovery) of expenses		(0.23)	0.43	1.25								
27	Kirloskar Oil Engines Limited		La-Gajjar Machineries Private Limited		Subsidiary Company	Investment in Preference shares	As approved by the Audit Committee of the Company	-	8.50	8.50								
28	Kirloskar Oil Engines Limited		La-Gajjar Machineries Private Limited		Subsidiary Company	Investment in equity shares	As approved by the Audit Committee of the Company	-	253.78	253.78								
29	Kirloskar Oil Engines Limited		Optiqua Pipes and Electricals Private Limited		Step down subsidiary	Purchase of goods	As approved by the Audit Committee of the Company	0.54	(1.85)	(0.04)								
30	Kirloskar Oil Engines Limited		Optiqua Pipes and Electricals Private Limited		Step down subsidiary	Reimbursement / (recovery) of expenses		(0.12)	0.05	0.06								

Disclosure of related party transactions for the half year ended 31 March 2022:

											Rs in Crores						
											Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.						
S. No	Details of the party (listed entity /subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction	Value of the related party transaction as approved by the audit committee	Value of transaction during the reporting period	In case monies are due to either party as a result of the transaction		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments			
	Name	PAN*	Name	PAN *	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/ issuance of debt/ any other etc.)	Cost	Tenure	Nature (loan/ advance/ inter-corporate deposit/ investment)	Interest Rate (%)	Tenure	Secured/ unsecured
53	La-Gajjar Machineries Private Limited		ESVA Pumps India Private Limited (w.e.f 4 October 2021)		Joint venture of the subsidiary	Purchase of goods	As approved by the Audit Committee of the Subsidiary Company	22.78	-	(0.84)							
54	Optiqua Pipes and Electricals Private Limited		ESVA Pumps India Private Limited (w.e.f 4 October 2021)		Joint venture of the Company	Investment in equity shares (Refer Note 9 below)		4.41	-	5.00							Investment in equity shares NA NA NA Business Purpose

Notes:

- The above figures do not include provision for leave encashment and gratuity, as actuarial valuation of such provision for the Key Management Personnel is included in the total provision for Leave encashment & gratuity. It also includes sitting fees wherever applicable.
- Terms and conditions of transactions with related parties**
Transactions entered into with related party are made in ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash and cash equivalents. There have been no guarantees provided or received for any related party receivables or payables. For the half year ended 31 March 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (Half year ended 30 September 2021 : Rs.Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- The Parent Company has provided capital commitment of Rs.0.12 crores to the related party as at 31 March 2022.
Other Commitment - The Parent Company has given letter of comfort/undertaking to one of the subsidiary's bankers for credit facilities availed by that subsidiary. As per the terms of letter of comfort/undertaking, the Parent Company undertakes not to divest its ownership interest directly or indirectly in the subsidiary beyond specified percentage.
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- Arka Fincap Limited (AFL), Mumbai (subsidiary upto 3rd March 2022 and thereafter subsidiary of Arka Financial Holdings Private Limited and step down subsidiary of the Kirloskar Oil Engines Limited w.e.f 4th March 2022)
- Amount in brackets denotes credit balance.
- No specific financial indebtedness is incurred to make or give investments.
- * As per the Guidance Note issued by Bombay Stock Exchange Limited and National Stock Exchange of India Limited dated 25th April 2022, the PAN numbers are not mentioned.
- Closing Balance in investment in equity shares comprises of the carrying value as at 31 March 2022 including the share of profit from the joint venture.