

Date: 28th October 2021

BSE Scrip Code: **533293**

NSE Scrip Code: **KIRLOSENG**

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

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,

This is to inform you that:

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015 including amendments thereunder, please find enclosed herewith:

1. The Standalone and Consolidated Un-audited Financial Results of the Company for the quarter and half year ended 30th September 2021, which were approved by the Board of Directors in its meeting held on 28th October 2021;
2. A copy of Limited Review Report of the Company, dated 28th October 2021, received from G. D. Apte & Co., Chartered Accountants, Pune, (Firm Registration No. 100515W), Statutory Auditors of the Company.

The meeting of the Board of Directors of the Company commenced at 1.30 pm and concluded at 3.15 pm.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For Kirloskar Oil Engines Limited

S. A. Raichurkar

Smita Raichurkar
Company Secretary



Encl.: As above.

Kirloskar Oil Engines Limited
A Kirloskar Group Company

Regd. Office: Laxmanrao Kirloskar Road,
Khadki, Pune, Maharashtra - 411 003 India.

Tel: +91 (20) 25810341, 66084000

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CIN: L29100PN2009PLC133351

KIRLOSKAR OIL ENGINES LIMITED

CIN : L29100PN2009PLC133351

Registered office : Laxmanrao Kirloskar Road, Khadki, Pune - 411003

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2021

(₹ in Crores)

Particulars	Quarter ended			Half year ended		Year ended
	30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
a) Revenue from operations	825.48	647.24	661.72	1,472.72	982.16	2,694.44
b) Other Income	6.68	5.72	5.33	12.40	10.05	24.48
Total income	832.16	652.96	667.05	1,485.12	992.21	2,718.92
2 Expenses						
a) Cost of raw materials and components consumed	401.58	306.26	285.88	707.84	397.68	1,177.27
b) Purchase of traded goods	182.86	136.35	125.75	319.21	178.49	525.64
c) Changes in inventories of finished goods, work-in-progress and traded goods	(12.76)	3.16	10.52	(9.60)	50.38	40.22
d) Employee benefits expense	54.25	48.94	41.80	103.19	86.44	198.87
e) Finance costs	0.92	1.61	1.81	2.53	2.33	6.36
f) Depreciation and amortisation expense	19.55	19.58	15.07	39.13	29.82	62.15
g) Other expenses	133.04	103.56	121.13	236.60	196.95	468.64
Total expenses (a to g)	779.44	619.46	601.96	1,398.90	942.09	2,479.15
3 Profit before exceptional items and tax (1 - 2)	52.72	33.50	65.09	86.22	50.12	239.77
4 Exceptional items - (Expenses) / Income	-	-	-	-	-	(8.37)
5 Profit before tax (3 + 4)	52.72	33.50	65.09	86.22	50.12	231.40
6 Tax expense :						
Current tax	15.57	9.97	13.63	25.54	13.63	55.86
Deferred tax	(1.56)	(0.94)	4.23	(2.50)	0.06	5.80
Total Tax expense (6)	14.01	9.03	17.86	23.04	13.69	61.66
7 Net Profit / (Loss) for the period (5 - 6)	38.71	24.47	47.23	63.18	36.43	169.74
8 Other Comprehensive Income / (Expense)						
Re-measurement gains / (losses) on defined benefit plans and others	(0.78)	1.38	0.57	0.60	0.70	6.06
Income tax effect on above	0.20	(0.35)	(0.15)	(0.15)	(0.18)	(1.53)
Subtotal (A)	(0.58)	1.03	0.42	0.45	0.52	4.53
Net gain / (loss) on FVOCI equity instruments	-	-	-	-	-	0.05
Income tax effect on above	-	-	-	-	-	(0.01)
Subtotal (B)	-	-	-	-	-	0.04
Total other comprehensive income for the year, net of tax (A) + (B) = (8)	(0.58)	1.03	0.42	0.45	0.52	4.57
9 Total comprehensive income for the year, net of tax (7 + 8)	38.13	25.50	47.65	63.63	36.95	174.31
10 Paid-up equity share capital (Face value of ₹ 2 each)	28.92	28.92	28.92	28.92	28.92	28.92
11 Other Equity						1,954.23
12 Basic EPS (₹) (Face value of ₹ 2 each) [not annualized]	2.68	1.69	3.27	4.37	2.52	11.74
13 Diluted EPS (₹) (Face value of ₹ 2 each) [not annualized]	2.67	1.69	3.27	4.36	2.52	11.74

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Notes :

1 Statement of assets and liabilities (Balance Sheet)

(₹ in Crores)

Particulars	Standalone	
	As at	As at
	30-09-2021 Unaudited	31-03-2021 Audited
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	350.35	366.79
(b) Capital work-in-progress	31.13	31.72
(c) Right-of-use assets	12.23	12.56
(d) Other intangible assets	54.59	66.17
(e) Intangible assets under development	31.19	23.18
(f) Financial assets		
(i) Investments	1,048.74	915.73
(ii) Loans	0.06	0.06
(iii) Other financial assets	13.80	31.52
(g) Other non-current assets	42.57	39.98
Sub-total - Non-current assets	1,584.66	1,487.71
II. Current assets		
(a) Inventories	301.69	265.19
(b) Financial assets		
(i) Investments	409.57	618.23
(ii) Trade receivables	317.93	355.82
(iii) Cash and cash equivalents	9.70	17.28
(iv) Bank balance other than (iii) above	11.85	12.13
(v) Loans	2.67	0.04
(vi) Other financial assets	50.02	50.98
(c) Other current assets	28.70	36.20
Sub-total - Current assets	1,132.13	1,355.87
TOTAL - ASSETS	2,716.79	2,843.58
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	28.92	28.92
(b) Other equity		
Capital redemption reserve	0.20	0.20
General reserve	608.39	608.39
Retained earnings	1,372.78	1,345.31
FVOCI reserve	0.04	0.04
Employee stock option reserve	2.31	0.29
Sub-total - Equity	2,012.64	1,983.15
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	0.43	0.84
(ii) Other financial liabilities	17.02	16.27
(b) Provisions	34.13	29.17
(c) Deferred tax liabilities (net)	10.15	12.50
(d) Other non-current liabilities	22.43	19.13
Sub-total - Non-current liabilities	84.16	77.91
II. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	65.16	77.68
(ii) Trade and other payables		
a) total outstanding dues of micro enterprises and small enterprises	69.60	77.45
b) total outstanding dues of creditors other than micro enterprises and small enterprises	350.42	427.33
(iii) Lease liabilities	0.93	0.77
(iv) Other financial liabilities	40.92	85.99
(b) Other current liabilities	36.27	50.85
(c) Provisions	56.40	62.16
(d) Government grants	0.29	0.29
Sub-total - Current liabilities	619.99	782.52
TOTAL - EQUITY AND LIABILITIES	2,716.79	2,843.58

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2 Statement of Cash Flow

Particulars	Half year ended		Year Ended
	30-09-2021	30-09-2020	31-03-2021
	Unaudited	Unaudited	Audited
	(₹ in Crores)		
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	86.22	50.12	231.40
Adjustments:			
Add:			
Depreciation and Amortisation	39.13	29.82	62.15
Inventories written down	2.59	4.08	1.91
Bad debts and irrecoverable balances written off	0.13	0.18	2.30
Provision for doubtful debts and advances (net) (Including expected credit loss)	(0.75)	15.23	14.22
Loss/ (Profit) on Revaluation on Imports Payable	0.01	0.02	(0.11)
Loss on Revaluation on Exports Receivable	-	2.92	-
Share based expense	2.02	-	0.29
Finance costs	2.53	2.33	6.36
Amortisation of rent expenses	0.31	0.38	0.75
	45.97	54.96	87.87
Less :			
Net Gain on disposal of property, plant & equipment	0.06	-	0.11
Profit on Revaluation on Exports Receivable	0.89	-	2.31
Profit / (Loss) on sale of mutual fund investment at FVTPL (net)	3.20	2.09	12.59
Gain/ (loss) on fair valuation of financial instruments measured at FVTPL	4.61	3.26	1.13
Interest income and Unwinding of interest on fair valuation of financial instruments	2.06	2.66	5.41
Sundry Credit Balances Appropriated	0.47	0.01	0.55
Provisions no longer required written back	5.06	0.66	3.07
Revenue from deferred EPCG income	-	-	0.41
Dividend Income	-	-	0.00
	16.35	8.68	25.58
Operating Profit before working capital changes	115.84	96.40	293.69
Working Capital Adjustments			
(Increase) / Decrease in Government Grant Receivable	16.35	3.36	23.70
(Increase) / Decrease in Trade and Other Receivables	38.89	(38.07)	10.92
(Increase) / Decrease in Inventories	(39.10)	49.33	33.22
Increase / (Decrease) in Trade and other Payables	(99.17)	13.53	188.83
Increase / (Decrease) in Provisions	1.34	1.29	8.33
	(81.69)	29.44	265.00
Net Cash generated from operations	34.15	125.84	558.69
Direct taxes paid (net of refunds)	(30.66)	2.42	(32.35)
NET CASH FLOW FROM OPERATING ACTIVITIES	3.49	128.26	526.34
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of PPE & other intangible assets including advance	0.08	0.06	0.96
Proceeds from sale /(purchase) of mutual funds (Net)	216.47	(134.55)	(285.48)
Dividend received	-	-	0.00
Investment in subsidiary	(133.01)	(45.39)	(133.32)
Interest received	-	0.93	1.77
Payments for Purchase of Property, Plant and Equipment (PPE)	(42.90)	(25.70)	(129.20)
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	40.64	(204.65)	(545.27)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from bill discounting & borrowings	90.16	108.73	277.69
Finance costs	(2.46)	(2.23)	(6.18)
Payment for lease liabilities	(0.57)	(0.55)	(1.24)
Repayment of borrowings	(102.69)	(15.26)	(215.26)
Final and interim dividend paid	(36.15)	-	(21.69)
NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITY	(51.71)	90.69	33.32
Net increase / (decrease) in Cash and Cash equivalents	(7.58)	14.30	14.39
Opening Cash and Cash equivalents	17.28	2.89	2.89
Closing Cash and Cash equivalents	9.70	17.19	17.28

i. The above Cash Flow Statement has been prepared under the indirect method set out in Indian Accounting Standard (IND AS) -7, 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standards) Rules, 2015

ii. All figures in brackets indicate cash outflow.

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- 3 The Company operates in single reportable segment namely 'Engines'.
- 4 The above statement has been prepared in accordance with The Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of The Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 5 During the quarter and half year ended 30th September 2021, the Company has invested in paid up capital of Rs. 0.01 crores towards initial subscription amount of Arka Financial Holdings Private Limited ('AFHPL') and as per the consent given by the Board of Directors in its meeting held on 11th August 2021, the Company has further invested in Rights Issue for equity shares of AFHPL of Rs. 83 crores.
- 6 Exceptional item as disclosed in the column ("Year ended 31 March 2021") comprises of total compensation payable under the "Voluntary Retirement Scheme 2021" (the VRS Scheme) implemented for workers.
- 7 During the current quarter and half year ended 30th September 2021, India experienced a second wave of COVID-19 resulting into subdued economic activities. The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial results including recovering of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Company has at the date of approval of financial results, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of the same.
- 8 Figures for the previous periods have been regrouped wherever required to make them comparable with those of the current period.
- 9 The above results for the quarter and half year ended 30th September 2021 are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 28th October 2021 and are subjected to a "Limited Review" by the Statutory Auditors.

Registered Office:

Laxmanrao Kirloskar Road,
Khadki, Pune - 411 003

For Kirloskar Oil Engines Limited



SANJEEV NIMKAR

Managing Director

DIN: 07869394

Place : Pune

Date : 28th October 2021



Limited Review Report

The Board of Directors
Kirloskar Oil Engines Limited

1. We have reviewed the accompanying Statement of unaudited standalone Financial Results of Kirloskar Oil Engines Limited ("the Company") for the quarter and the half year ended September 30, 2021 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This 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 read with relevant rules issued thereunder 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. 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 company's personnel 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 specified under Section 143(10) of the Companies Act, 2013 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 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 the aforesaid IND AS 34 and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms 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.
5. Other matter

The figures and details pertaining to quarter ended June 30, 2021 and quarter and half year ended September 30, 2020 have been traced from the unmodified Review Reports dated August 11, 2021 and October 30, 2020 respectively, issued by M/s P G Bhagwat LLP, Chartered Accountants (the

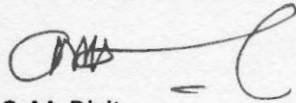


G. D. Apte & Co.
Chartered Accountants

erstwhile statutory auditors) in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Similarly, figures and details pertaining to year ended March 31, 2021 have been traced from the financial statements of the company audited by the erstwhile statutory auditors on which unmodified opinion was issued vide their report dated May 13, 2021.

Our conclusion on the statement is not modified in respect of above matter.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W
UDIN: 21017532AAAAAQ7931



C. M. Dixit
Partner
Membership Number: 17532
Pune, October 28, 2021



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2021

(₹ in Crores)

Particulars	Consolidated					
	Quarter ended			Half year ended		Year ended
	30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
a) Revenue from operations	1,001.44	820.83	827.95	1,822.27	1,250.28	3,296.10
b) Other income	7.36	6.29	5.85	13.65	10.86	25.35
Total income	1,008.80	827.12	833.80	1,835.92	1,261.14	3,321.45
2 Expenses						
a) Cost of raw materials and components consumed	487.28	382.16	361.99	869.44	498.97	1,432.09
b) Purchase of traded goods	188.71	136.40	135.99	325.11	195.90	567.45
c) Changes in inventories of finished goods, work-in-progress and traded goods	(19.73)	13.86	12.28	(5.87)	76.37	50.46
d) Employee benefits expense	71.88	64.87	55.26	136.75	112.52	257.40
e) Finance costs	22.00	20.36	11.86	42.36	17.03	50.12
f) Depreciation and amortisation expense	25.48	25.51	20.32	50.99	40.23	83.98
g) Other expenses	175.87	140.03	153.87	315.90	247.13	601.90
Total expenses (a to g)	951.49	783.19	751.57	1,734.68	1,188.15	3,043.40
3 Profit before exceptional items and tax(1-2)	57.31	43.93	82.23	101.24	72.99	278.05
4 Exceptional items - (Expenses) / Income	-	-	-	-	-	(8.37)
5 Profit before tax (3 + 4)	57.31	43.93	82.23	101.24	72.99	269.68
6 Tax expense :						
Current tax	19.70	14.46	19.42	34.16	22.36	70.62
Deferred tax	(4.07)	(1.83)	3.30	(6.90)	(2.15)	1.66
Total Tax expense (6)	15.63	11.63	22.72	27.26	20.21	72.28
7 Net Profit / (Loss) for the period (5 - 6)	41.68	32.30	59.51	73.98	52.78	197.40
8 Other Comprehensive Income / (Expense)						
Other comprehensive income to be reclassified to profit or loss in the subsequent periods (A) :						
Exchange differences in translating the financial statements of a foreign operation	0.12	(0.10)	-	0.02	-	0.04
Income tax effect on above	-	-	-	-	-	-
Total (A)	0.12	(0.10)	-	0.02	-	0.04
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (B):						
Re-measurement gains / (losses) on defined benefit plans and others	(0.76)	1.39	0.50	0.63	0.58	6.22
Income tax effect on above	0.19	(0.35)	(0.13)	(0.16)	(0.15)	(1.57)
Subtotal (a)	(0.57)	1.04	0.37	0.47	0.43	4.65
Net gain / (loss) on FVOCI equity instruments	-	-	-	-	-	0.05
Income tax effect on above	-	-	-	-	-	(0.01)
Subtotal (b)	-	-	-	-	-	0.04
Total (B)	(0.57)	1.04	0.37	0.47	0.43	4.69
Total other comprehensive income for the year, net of tax (A) + (B) = (8)	(0.45)	0.94	0.37	0.49	0.43	4.73
9 Total comprehensive income for the year, net of tax (7 + 8)	41.23	33.24	59.88	74.47	53.21	202.13
10 Profit for the period attributable to:						
a) Owners of the Company	42.31	32.17	57.54	74.48	50.67	194.96
b) Non-controlling interest	(0.63)	0.13	1.97	(0.50)	2.11	2.44
11 Other comprehensive income for the period attributable to:						
a) Owners of the Company	(0.45)	0.94	0.38	0.49	0.45	4.72
b) Non-controlling interest	0.00	0.00	(0.01)	0.00	(0.02)	0.01
12 Total comprehensive income for the period attributable to:						
a) Owners of the Company	41.86	33.11	57.92	74.97	51.12	199.68
b) Non-controlling interest	(0.63)	0.13	1.96	(0.50)	2.09	2.45
13 Paid-up equity share capital (Face value of ₹ 2 each)	28.92	28.92	28.92	28.92	28.92	28.92
14 Other Equity						1,893.22
15 Basic EPS (₹) (Face value of ₹ 2 each) [not annualized]	2.93	2.22	3.98	5.15	3.50	13.48
16 Diluted EPS (₹) (Face value of ₹ 2 each) [not annualized]	2.92	2.22	3.98	5.13	3.50	13.48

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Notes:

- 1 The Parent Company operates in single reportable segment namely 'Engines'. However at consolidated level the Group has identified three reportable segments namely 'Engines', 'Electric Pumps' and 'Financial Services'. The identification of operating segments is consistent with performance assessment and resource allocation by the management. The Consolidated Statement of Segment wise Revenue, Results, Assets and Liabilities are as under:

(₹ in Crores)

Particulars	Consolidated					
	Quarter ended			Half year ended		Year ended
	30-09-2021	30-06-2021	30-09-2020	30-09-2021	30-09-2020	31-03-2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
SEGMENT REVENUE						
Engines	738.26	567.78	594.32	1,306.04	861.79	2,390.93
Electric Pumps	166.15	174.78	163.35	340.93	266.95	622.29
Financial Services	45.37	37.70	22.89	83.07	39.46	101.64
Others	51.66	40.51	47.23	92.17	81.32	180.16
Unallocated	-	0.06	0.16	0.06	0.76	1.08
REVENUE FROM OPERATIONS	1,001.44	820.83	827.95	1,822.27	1,250.28	3,296.10
SEGMENT RESULTS						
Engines	53.72	33.61	63.87	87.33	49.27	236.71
Electric Pumps	(3.15)	4.57	12.66	1.42	14.91	25.23
Financial Services	28.88	24.59	13.85	53.47	21.64	60.62
Others	(2.01)	(0.53)	1.61	(2.54)	0.84	1.96
Unallocated	1.87	2.05	2.10	3.92	3.36	3.65
Total	79.31	64.29	94.09	143.60	90.02	328.17
Less:						
(i) Finance Cost	22.00	20.36	11.86	42.36	17.03	50.12
(ii) Exceptional Items	-	-	-	-	-	8.37
Profit Before Tax	57.31	43.93	82.23	101.24	72.99	269.68
SEGMENT ASSETS						
Engines	1,089.34	1,093.09	1,054.90	1,089.34	1,054.90	1,144.45
Electric Pumps	525.90	519.72	471.22	525.90	471.22	525.48
Financial Services	1,898.58	1,465.37	1,140.49	1,898.58	1,140.49	1,365.90
Others	75.18	80.26	65.31	75.18	65.31	77.04
Unallocated assets	478.14	487.59	621.48	478.14	621.48	687.87
TOTAL ASSETS	4,067.14	3,646.03	3,353.40	4,067.14	3,353.40	3,800.74
SEGMENT LIABILITIES						
Engines	533.01	472.33	497.79	533.01	497.79	658.06
Electric Pumps	234.31	229.58	187.42	234.31	187.42	239.78
Financial Services	1,078.79	735.44	557.28	1,078.79	557.28	692.55
Others	39.53	48.77	59.46	39.53	59.46	52.50
Unallocated Liabilities	225.98	207.00	258.68	225.98	258.68	235.71
TOTAL LIABILITIES	2,111.62	1,693.12	1,560.63	2,111.62	1,560.63	1,878.60

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2 Statement of assets and liabilities (Balance Sheet)

(₹ in Crores)

Particulars	Consolidated	
	As at	As at
	30-09-2021	31-03-2021
	Unaudited	Audited
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	403.39	387.86
(b) Capital work-in-progress	32.85	31.65
(c) Right-of-use assets	23.12	23.72
(d) Goodwill	187.39	184.50
(e) Other Intangible assets	83.41	102.19
(f) Intangible assets under development	31.31	23.20
(g) Financial assets		
(i) Investments	42.08	47.90
(ii) Receivables of Financial Service Business	991.57	614.49
(iii) Loans	0.21	0.22
(iv) Other financial assets	28.13	45.55
(h) Deferred tax assets (net)	6.58	4.04
(i) Other non-current assets	47.44	42.65
Sub-total - Non-current assets	1,877.48	1,507.97
II. Current assets		
(a) Inventories	395.95	379.47
(b) Financial assets		
(i) Investments	641.15	785.68
(ii) Trade receivables	379.47	438.57
(iii) Cash and cash equivalents	76.96	246.05
(iv) Bank balance other than (iii) above	13.23	12.26
(v) Receivables of Financial Service Business	542.75	291.87
(vi) Loans	2.77	0.11
(vii) Other financial assets	62.89	54.68
(c) Current tax assets (net)	0.88	0.93
(d) Other current assets	73.61	83.15
Sub-total - Current assets	2,189.66	2,292.77
TOTAL - ASSETS	4,067.14	3,800.74
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	28.92	28.92
(b) Other equity		
(i) Capital redemption reserve	0.20	0.20
(ii) General reserve	608.39	608.39
(iii) Statutory reserve	4.60	4.60
(iv) Employee Stock Option Reserve	9.94	7.28
(v) Retained earnings	1,303.06	1,272.36
(vi) OCI Reserve (Representing FV Changes of Equity Instruments designated through OCI)	0.04	0.04
(vii) Reserves representing unrealised gains/ losses	0.37	0.35
Sub-total - Equity	1,955.52	1,922.14
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	638.49	416.99
(ii) Lease Liabilities	5.07	6.89
(iii) Other financial liabilities	141.71	133.03
(b) Provisions	38.42	30.78
(c) Deferred tax liabilities (net)	15.17	19.37
(d) Other non-current liabilities	22.43	19.13
Sub-total - Non-current liabilities	861.29	626.19
II. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	581.76	415.29
(ii) Trade and other payables		
a) total outstanding dues of micro enterprises and small enterprises	103.22	133.50
b) total outstanding dues of creditors other than micro enterprises and small enterprises	380.96	460.70
(iii) Lease liabilities	5.04	3.87
(iv) Other financial liabilities	57.47	103.98
(b) Other current liabilities	54.17	61.32
(c) Provisions	67.42	73.46
(d) Government grants	0.29	0.29
Sub-total - Current liabilities	1,250.33	1,252.41
TOTAL - EQUITY AND LIABILITIES	4,067.14	3,800.74

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(₹ in Crores)

Particulars	Consolidated		
	Half year ended		Year Ended
	30-09-2021	30-09-2020	31-03-2021
	Unaudited	Unaudited	Audited
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax	101.24	72.99	269.68
Adjustments:			
Add:			
Depreciation and Amortisation	50.99	40.23	83.98
Inventories written down	2.13	6.45	0.50
Bad debts and irrecoverable balances written off	0.72	0.21	2.38
Provision for doubtful debts and advances (net) (Including expected credit loss)	1.74	16.17	2.21
Loss/ (Profit) on Revalorisation on Imports Payable	0.02	0.03	(0.11)
Loss on Revalorisation on Exports Receivable	-	3.05	-
Loss on Revalorisation on Forex Loans	0.15	-	0.28
Share based expense	2.65	1.47	2.56
Unrealised Exchange Differences in translating the financial statements of a foreign operation	0.02	-	1.18
Exceptional Items (VRS)	-	-	8.37
Finance cost	42.36	17.03	34.72
Amortisation of rent expenses	0.31	1.22	0.75
	101.09	85.86	136.82
Less:			
Net Profit on disposal of property, plant & equipment	0.06	0.02	0.13
Profit on Revalorisation on Exports Receivable	0.93	-	2.22
Amortised discount income on commercial paper	2.71	2.02	4.96
Interest received on debt instrument	2.53	8.06	19.74
Profit / (Loss) on sale of mutual fund investment at FVTPL (net)	4.31	2.09	12.59
Gain/ (loss) on fair valuation of financial instruments measured at FVTPL including of financial service business	5.03	3.53	1.13
Interest Income and Unwinding of interest on fair valuation of financial instruments	2.72	5.04	6.36
Sundry Credit Balances Appropriated	0.47	0.02	0.55
Provisions no longer required written back	5.17	0.99	3.73
Revenue from deferred EPCG income	-	-	0.41
Dividend received	-	0.00	0.00
	23.93	21.77	51.82
Operating Profit before working capital changes	178.40	137.08	354.68
Working Capital Adjustments			
(Increase) / Decrease in Government Grant Receivables	16.35	2.30	21.21
(Increase) / Decrease in Trade and Other Receivables	60.14	(67.28)	9.34
(Increase) / Decrease in Receivables of Financial Service Business	(630.46)	(149.98)	(546.68)
(Increase) / Decrease in Inventories	(18.60)	75.43	25.80
Increase / (Decrease) in Trade and other Payables	(128.01)	10.20	168.77
Increase / (Decrease) in Provisions	3.68	5.30	(2.89)
	(696.90)	(124.03)	(324.45)
Net Cash generated from operations	(518.50)	13.05	30.23
Direct taxes paid (net of refunds)	(41.57)	0.98	(46.26)
NET CASH FLOW FROM OPERATING ACTIVITIES	(560.07)	14.03	(16.03)
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of PPE & other intangible assets including advance	0.08	0.11	1.02
Proceeds from sale/(purchase) of Investments (Net)	164.93	(375.13)	(362.50)
Interest received on debt and other instruments	0.02	9.01	1.76
Dividend received	-	-	0.00
Payments for Purchase of Property, Plant and Equipment	(80.88)	(29.34)	(105.49)
NET CASH GENERATED FROM INVESTING ACTIVITIES	84.15	(395.35)	(465.21)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment for lease liabilities	(3.60)	(2.66)	(5.43)
Finance cost	(41.26)	(14.44)	(27.55)
Proceeds from bill discounting & borrowings (Net)	1,346.66	862.19	1,082.29
(Repayment) of bill discounting & borrowings	(958.69)	(326.93)	(428.67)
Share Issuance Expenses	(0.13)	-	-
Final and Interim Dividend Paid	(36.15)	-	(21.69)
NET CASH USED IN FINANCING ACTIVITY	306.83	518.16	598.95
Net increase / (decrease) in cash and cash equivalents	(169.09)	136.84	117.71
Opening Cash and Cash equivalents	246.05	128.34	128.34
Closing Cash and Cash equivalents	76.96	265.18	246.05

i. The above Cash Flow Statement has been prepared under the indirect method set out in Indian Accounting Standard (IND AS) -7, 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standards) Rules, 2015

ii. All figures in brackets indicate cash outflow.

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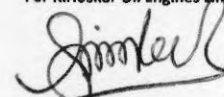


- 4 As per Ind AS 108 "Operating Segments", the Group has reported 'Segment information' as described below:-
- A) Engines - The Engines segment includes production, sales and services of Engines, Gensets and spares parts.
- B) Electric Pumps - The Electric Pumps segment includes production, sales and services of Electric Pumps.
- C) Financial Services - This segment includes operations of rendering financial services through wholly owned NBFC subsidiary Arka Fincap Limited (formerly known as Kirloskar Capital Limited) and Arka Financial Holdings Private Limited
- D) Other Segments - This represents other operating business segments which are not separately reportable as per Ind AS criterion.
- E) Unallocable - Unallocable comprises of assets, liabilities, revenue and expenses which are not directly related with any of operating segments.
- 5 The above statement has been prepared in accordance with The Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of The Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 6 During the quarter and half year ended 30th September 2021, the Parent Company has invested in paid up capital of Rs. 0.01 crores towards initial subscription amount of Arka Financial Holdings Private Limited ('AFHPL') and as per the consent given by the Board of Directors in its meeting held on 11th August 2021, the Parent Company has further invested in Rights Issue for equity shares of AFHPL of Rs. 83 crores.
- 7 Optiqua Pipes and Electricals Private Limited (OPEPL), a wholly owned subsidiary of La-Gajjar Machineries Private Limited (a subsidiary of the Parent Company) has entered into a joint Venture cum Shareholder's agreement with ESVA Pumps India Private Limited (ESVA), Coimbatore, on 31st August 2021, as per approval of the Board of Directors of OPEPL. OPEPL has completed acquisition of 49% stake in the equity shares of ESVA at a consideration of Rs. 4.41 crores on 4th October 2021. Consequent to this ESVA has become an 'associate company' of OPEPL with effect from 4th October 2021.
- 8 Exceptional item as disclosed in the column ("Year ended 31 March 2021") comprises of total compensation payable under the "Voluntary Retirement Scheme 2021" (the VRS Scheme) implemented for workers of the Parent Company.
- 9 During the current quarter and half year ended 30th September 2021, India experienced a second wave of COVID-19 resulting into subdued economic activities. The Group has considered the possible effects that may result from COVID-19 in the preparation of these financial results including recovering of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Group has at the date of approval of financial results, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Group's financial results may differ from that estimated as at the date of approval of the same.
- 10 The Consolidated Financials Results includes the results of following Subsidiaries:-
- i) La-Gajjar Machineries Private Limited
- ii) Arka Fincap Limited (formerly known as Kirloskar Capital Limited)
- iii) Kirloskar Americas Corporation (formerly known as KOEL Americas Corp.)
- iv) Optiqua Pipes and Electricals Private Limited (100% Subsidiary of La-Gajjar Machineries Private Limited)
- v) Arka Financial Holdings Private Limited (w.e.f. 13th July 2021)
- 11 The figures for the previous periods have been regrouped wherever required to make them comparable with those of the current period.
- 12 The above consolidated financial results for the quarter and half year ended 30th September 2021 are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Parent Company in their respective meetings held on 28th October 2021 and are subjected to a "Limited Review" by the Statutory Auditors.

Registered Office:
Laxmanrao Kirloskar Road,
Khadki, Pune - 411 003

Place : Pune
Date : 28th October 2021

For Kirloskar Oil Engines Limited



SANJEEV NIMKAR
Managing Director
DIN:07869394



Limited Review Report

The Board of Directors
Kirloskar Oil Engines Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Kirloskar Oil Engines Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and the half year ended September 30, 2021 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent'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 read with relevant rules issued thereunder 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. 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 parent's personnel 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 specified under Section 143(10) of the Companies Act, 2013 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 circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of following subsidiaries and a step-down subsidiary:

Subsidiaries of the Company:

- a. La-Gajjar Machineries Private Limited
- b. Arka Fincap Limited (formerly known as Kirloskar Capital Limited)
- c. Arka Financial Holdings Private Limited (w.e.f. July 13, 2021)
- d. Kirloskar Americas Corporation (formerly known as KOEL Americas Corp.)



Step down subsidiary of the Company:

Optiqua Pipes and Electricals Private Limited (100 % subsidiary of La-Gajjar Machineries Private Limited)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, 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 the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms 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.
6. Other Matters
- (i) We did not review the financial results of two subsidiaries included in the Statement, whose interim financial results, before consolidation adjustments, reflect total assets of Rs. 2,195.71 crores as at September 30, 2021, total revenues of Rs. 185.15 crores and Rs. 367.27 crores, total net profit/(loss) of Rs. 8.95 crores and Rs. 18.05 crores, and total comprehensive income/(loss) of Rs. 8.96 crores and Rs. 18.07 crores for the quarter and the half year ended September 30, 2021 respectively and cash inflow/(outflow) of Rs. (161.98) crores for the half year ended September 30, 2021 as considered in the unaudited consolidated financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.
- (ii) The unaudited consolidated financial results include the interim financial results of a subsidiary which have not been reviewed/audited by their auditors and have been furnished to us by the management. These interim financial results reflect, before consolidation adjustments, total assets of Rs. 20.45 crores as at September 30, 2021 and total revenue of Rs. 7.93 crores and Rs. 16.80 crores and total net profit/(loss) of Rs. (0.15) crores and Rs. 0.89 crores, total comprehensive income/(loss) of Rs. (0.02) crores and Rs. 0.92 crores for the quarter and the half year ended September 30, 2021 respectively and cash inflows/(outflow) of Rs. 0.46 crores for the half year ended September 30, 2021 as considered in the consolidated unaudited financial results. According to the information and explanations given to us, these interim financial results are not material to the group.
- (iii) The figures and details pertaining to quarter ended June 30, 2021 and quarter and half year ended September 30, 2020 have been traced from the unmodified Review Reports dated August 11, 2021 and October 30, 2020 respectively, issued by M/s P G Bhagwat LLP, Chartered Accountants (the erstwhile statutory auditors) in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Similarly,




G.D. Apte & Co.
Chartered Accountants

figures and details pertaining to year ended March 31, 2021 have been traced from the financial statements of the company audited by the erstwhile auditors on which unmodified opinion was issued vide their report dated May 13, 2021.

Our conclusion on the statement is not modified in respect of above matters.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100 515W
UDIN: 21017532AAAAAR3309



C. M. Dixit
Partner
Membership Number: 17532
Pune, October 28, 2021

