



Enriching Lives

KIRLOSKAR OIL ENGINES LIMITED
A Kirloskar Group Company

Date: 5th February 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, please find enclosed herewith:

1. The Standalone and Consolidated Un-audited Financial Results of the Company for the quarter and nine months ended 31st December 2020, which were approved by the Board of Directors in its meeting held on 5th February 2021;
2. A copy of Limited Review Report of the Company, dated 5th February 2021, received from P G BHAGWAT LLP, Chartered Accountants, Statutory Auditors of the Company;

The meeting of the Board of Directors of the Company commenced at 12:10 pm and concluded at 2:03 pm

You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For Kirloskar Oil Engines Limited

Smita Raichurkar
Company Secretary

Encl.: As above.



KIRLOSKAR OIL ENGINES LIMITED

CIN : L29100PN2009PLC133351

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

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2020

(₹ in Crores)

Particulars	Quarter ended			Nine Months ended		Year ended
	31-12-2020	30-09-2020	31-12-2019	31-12-2020	31-12-2019	31-03-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
a) Revenue from operations	797.70	661.72	721.31	1,779.86	2,166.86	2,877.48
b) Other Income	6.61	6.41	6.87	17.84	28.21	37.09
Total income	804.31	668.13	728.18	1,797.70	2,195.07	2,914.57
2 Expenses						
a) Cost of raw materials and components consumed	355.28	285.88	323.35	752.96	959.85	1,302.98
b) Purchase of traded goods	162.57	125.75	140.67	341.06	474.85	598.75
c) Changes in inventories of finished goods, work-in-progress and traded goods	6.20	10.52	9.00	56.58	(6.97)	(27.76)
d) Employee benefits expense	55.71	41.80	56.95	142.15	167.77	217.81
e) Finance costs	2.71	1.81	0.85	5.04	2.49	3.82
f) Depreciation and amortisation expense	15.29	15.07	16.84	45.11	50.38	66.63
g) Other expenses	124.15	122.21	135.14	322.28	398.85	543.61
Total expenses (a to g)	721.91	603.04	682.80	1,665.18	2,047.22	2,705.84
3 Profit/(Loss) before exceptional items and tax	82.40	65.09	45.38	132.52	147.85	208.73
4 Exceptional items - (Expenses) / Income	-	-	-	-	16.49	16.49
5 Profit/(Loss) before tax (3 + 4)	82.40	65.09	45.38	132.52	164.34	225.22
6 Tax expense :						
Current tax	18.81	13.63	4.74	32.44	42.40	55.38
Deferred tax	2.98	4.23	(2.05)	3.04	(1.84)	(0.54)
Total Tax expense (6)	21.79	17.86	2.69	35.48	40.56	54.84
7 Net Profit / (Loss) for the period (5 - 6)	60.61	47.23	42.69	97.04	123.78	170.38
8 Other Comprehensive Income / (Expense)						
Re-measurement gains / (losses) on defined benefit plans and others	0.34	0.57	(0.63)	1.04	(1.85)	(2.59)
Income tax effect on above	(0.08)	(0.15)	0.04	(0.26)	0.42	0.65
Total other comprehensive income for the year, net of tax (8)	0.26	0.42	(0.59)	0.78	(1.43)	(1.94)
9 Total comprehensive income for the year, net of tax (7 + 8)	60.87	47.65	42.10	97.82	122.35	168.44
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						1,801.32
12 Basic and diluted EPS (₹) (Face value of ₹ 2 each) [not annualized]	4.19	3.27	2.95	6.71	8.56	11.78

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Notes :

- 1 The Company operates in single reportable segment namely 'Engines'.
- 2 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.
- 3 The Board of Directors in its meeting held on 30th July 2020, had given its consent to invest in Rights Issue for equity shares of Arka Fincap Limited (formerly known as Kirloskar Capital Limited - wholly owned subsidiary), upto Rs. 124.82 Crs. During the quarter ended September 2020, the Company had invested Rs.45.39 Crs at Rs 4/- per share toward application money (including share premium of Rs 1 per share) and in January 2021, the Company has further invested Rs.34.04 Crs. at Rs 3/- per share towards 1st Call Money.
- 4 Exceptional item comprises profit on sale of property situated at MIDC Industrial Estate, Nagapur, Ahmednagar, Maharashtra.
- 5 COVID-19 has impacted normal business operations of the Company. While there have been a series of measures for unlocking the economy since June'20, the complete restoration of normal business conditions is still dependent on the future state of the pandemic on the people and economy and any future directives from the Government. The Management has taken into account the possible impact of COVID-19 in preparation of the financial results, including assessment of recoverability of its assets based on the internal and external information upto the date of approval of these results. The Company will continue to closely monitor any material changes arising in future economic conditions and impact on its business. Consequently, the figures for the quarter and nine months ended 31 December, 2020 may not be directly comparable with those of the corresponding previous periods.
- 6 Figures for the previous periods have been regrouped wherever required to make them comparable with those of the current period.
- 7 The above results for the quarter and nine months ended 31 December 2020 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 5 February 2021 and have been subjected to a "Limited Review" by the Statutory Auditors.

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

Place : Pune
Date : 5 February 2021

For Kirloskar Oil Engines Limited



SANJEEV NIMKAR
Managing Director
DIN : 07869394



P G BHAGWAT LLP

Chartered Accountants
LLPIN: AAT - 9949

HEAD OFFICE

Suite 102, 'Orchard',
Dr. Pai Marg, Baner,
Pune - 411045.
Tel.: 020 - 27290771 / 1772 / 1773
Email : pgb@pgbhagwatca.com
Web : www.pgbhagwatca.com

Independent Auditor's Review Report On standalone unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

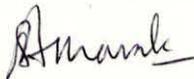
The Board of Directors
Kirloskar Oil Engines Limited
Laxmanrao Kirloskar road,
Khadki, Pune 411003

We have reviewed the accompanying statement of standalone unaudited financial results of Kirloskar Oil Engines Limited for the quarter and nine months ended 31st December 2020 being submitted by the company pursuant to the requirement of regulation 33 of SEBI (Listing Obligations and disclosure - requirements) Regulations, 2015, as amended.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statement based on our review. 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies 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.

P G BHAGWAT LLP
Chartered Accountants
FRN : 101118W / W100682



Sanjay Athavale
Partner
Membership No. 83374
Pune : 05th February 2021



UDIN : 21083374AAAA05724

Offices at: Mumbai | Kolhapur | Belagavi | Hubballi | Dharwad | Bengaluru

KIRLOSKAR OIL ENGINES LIMITED
CIN : L29100PN2009PLC133351

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

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2020

(₹ in Crores)

Particulars	Consolidated					
	Quarter ended			Nine months ended		Year ended
	31-12-2020	30-09-2020	31-12-2019	31-12-2020	31-12-2019	31-03-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
a) Revenue from operations	958.65	827.98	834.88	2,208.93	2,552.74	3,379.45
b) Other income	7.64	6.90	7.81	19.68	31.77	42.51
Total income	966.29	834.88	842.69	2,228.61	2,584.51	3,421.96
2 Expenses						
a) Cost of raw materials and components consumed	430.98	361.99	373.42	929.95	1,162.53	1,576.92
b) Purchase of traded goods	182.69	135.99	147.04	378.59	495.19	625.51
c) Changes in inventories of finished goods, work-in-progress and traded goods	0.74	12.28	11.41	77.11	(16.88)	(60.25)
d) Employee benefits expense	70.52	55.27	70.57	183.05	205.53	270.39
e) Finance costs	16.24	11.86	3.16	33.27	9.05	14.21
f) Depreciation and amortisation expense	20.92	20.32	22.09	61.15	65.54	87.34
g) Other expenses	153.32	154.94	163.84	401.62	498.63	679.59
Total expenses (a to g)	875.41	752.65	791.53	2,064.74	2,419.59	3,193.71
3 Profit/(Loss) before exceptional items and tax	90.88	82.23	51.16	163.87	164.92	228.25
4 Exceptional items - (Expenses) / Income	-	-	-	-	16.49	16.49
5 Profit / (loss) before tax (3 + 4)	90.88	82.23	51.16	163.87	181.41	244.74
6 Tax expense :						
Current tax	21.99	19.42	6.61	44.35	50.66	64.60
Deferred tax	2.39	3.30	(1.81)	0.24	(3.64)	(7.75)
Total Tax expense (6)	24.38	22.72	4.80	44.59	47.02	56.85
7 Net Profit / (Loss) for the period (5 - 6)	66.50	59.51	46.36	119.28	134.39	187.89
8 Other Comprehensive Income / (Expense)						
Re-measurement gains / (losses) on defined benefit plans and others	0.31	0.50	(0.45)	0.89	(1.58)	(2.87)
Income tax effect on above	(0.07)	(0.13)	0.04	(0.22)	0.40	0.73
Total other comprehensive income for the year, net of tax (8)	0.24	0.37	(0.41)	0.67	(1.18)	(2.14)
9 Total comprehensive income for the year, net of tax (7 + 8)	66.74	59.88	45.95	119.95	133.21	185.75
10 Profit/(Loss) for the period attributable to:						
a) Owners of the Company	66.25	57.54	45.96	116.92	132.49	185.18
b) Non-controlling interest	0.25	1.97	0.40	2.36	1.90	2.71
11 Other comprehensive income for the period attributable to:						
a) Owners of the Company	0.25	0.38	(0.41)	0.70	(1.19)	(2.09)
b) Non-controlling interest	(0.01)	(0.01)	0.00	(0.03)	0.01	(0.05)
12 Total comprehensive income for the period attributable to:						
a) Owners of the Company	66.51	57.92	45.55	117.63	131.30	183.09
b) Non-controlling interest	0.23	1.96	0.40	2.32	1.91	2.66
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						1,716.24
15 Basic and diluted EPS (₹) (Face value of ₹ 2 each) [not annualized]	4.59	3.98	3.18	8.09	9.16	12.81

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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:

Particulars	Consolidated					
	Quarter ended			Nine months ended		Year ended
	31-12-2020	30-09-2020	31-12-2019	31-12-2020	31-12-2019	31-03-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
SEGMENT REVENUE						
Engines	710.89	594.32	674.02	1572.68	1993.30	2655.43
Electric Pumps	168.65	163.38	120.76	435.60	422.87	541.16
Financial Services	29.17	22.89	12.95	68.63	31.96	48.20
Others	50.10	47.23	26.72	131.42	103.35	132.86
Unallocated	(0.16)	0.16	0.43	0.60	1.26	1.80
REVENUE FROM OPERATIONS	958.65	827.98	834.88	2208.93	2552.74	3379.45
SEGMENT RESULTS						
Engines	78.90	63.87	48.64	128.17	144.58	206.08
Electric Pumps	5.73	12.66	5.43	20.64	20.39	20.69
Financial Services	19.05	13.85	4.06	40.69	6.97	12.83
Others	1.31	1.61	(3.13)	2.15	(11.62)	(14.88)
Unallocated	2.13	2.10	(0.68)	5.49	13.65	17.74
Total	107.12	94.09	54.32	197.14	173.97	242.46
Less:						
(i) Finance Cost	16.24	11.86	3.16	33.27	9.05	14.21
(ii) Exceptional Item	-	-	-	-	(16.49)	(16.49)
Profit/(Loss) Before Tax	90.88	82.23	51.16	163.87	181.41	244.74
SEGMENT ASSETS						
Engines	1059.30	1054.90	1120.12	1059.30	1120.12	1175.74
Electric Pumps	495.05	471.22	457.22	495.05	457.22	486.46
Financial Services	1183.03	1140.49	558.12	1183.03	558.12	617.47
Others	67.24	65.31	69.42	67.24	69.42	66.69
Unallocated assets	773.51	621.48	477.04	773.51	477.04	415.53
TOTAL ASSETS	3578.13	3353.40	2681.92	3578.13	2681.92	2761.89
SEGMENT LIABILITIES						
Engines	585.05	497.79	537.04	585.05	537.04	496.90
Electric Pumps	215.12	187.42	176.58	215.12	176.58	202.40
Financial Services	594.39	557.28	32.62	594.39	32.62	88.18
Others	49.29	59.46	24.53	49.29	24.53	69.05
Unallocated Liabilities	278.02	258.68	127.43	278.02	127.43	160.20
TOTAL LIABILITIES	1721.87	1560.63	898.20	1721.87	898.20	1016.73

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- 2 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)
- 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.
- 3 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.
- 4 Exceptional item comprises profit on sale of property situated at MIDC Industrial Estate, Nagapur, Ahmednagar, Maharashtra.
- 5 The Board of Directors in its meeting held on 30th July 2020, had given its consent to invest in Rights Issue for equity shares of Arka Fincap Limited (formerly known as Kirloskar Capital Limited - wholly owned subsidiary), upto Rs. 124.82 Crs. During the quarter ended September 2020, the Company had invested Rs.45.39 Crs at Rs 4/- per share toward application money (including share premium of Rs 1 per share) and in January 2021, the Company has further invested Rs.34.04 Crs. at Rs 3/- per share towards 1st Call Money.
- 6 COVID-19 has impacted normal business operations of the Group. While there have been a series of measures for unlocking the economy since June'20, the complete restoration of normal business conditions is still dependent on the future state of the pandemic on the people and economy and any future directives from the Government. The Management has taken into account the possible impact of COVID-19 in preparation of the financial results, including assessment of recoverability of its assets based on the internal and external information upto the date of approval of these results. The Group will continue to closely monitor any material changes arising in future economic conditions and impact on its business. Consequently, the figures for the quarter and nine months ended 31 December, 2020 may not be directly comparable with those of the corresponding previous periods.
- 7 The Consolidated Financials Results includes the results of following Subsidiaries:-
- i) La-Gajjar Machineris Private Limited
- ii) ARKA Fincap Limited (Formerly known as Kirloskar Capital Limited)
- iii) KOEL Americas Corp.
- 8 The 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 nine months ended 31 December 2020 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 5 February 2021 and have been subjected to a "Limited Review" by the Statutory Auditors.

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

Place : Pune
Date : 5 February 2021

For Kirloskar Oil Engines Limited


SANJEEV NIMMKAR
Managing Director
DIN:07869394



P G BHAGWAT LLP

Chartered Accountants
LLPIN: AAT - 9949

HEAD OFFICE

Suite 102, 'Orchard',
Dr. Pai Marg, Baner,
Pune - 411045.
Tel.: 020 - 27290771 / 1772 / 1773
Email : pgb@pgbhagwatca.com
Web : www.pgbhagwatca.com

Independent Auditor's Review Report On consolidated unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
Kirloskar Oil Engines Limited
Laxmanrao Kirloskar road,
Khadki, Pune 411003

1. We have reviewed the accompanying Statement of Consolidated Unaudited 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 nine months ended 31st December 2020 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. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report 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 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.
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 the following subsidiaries :
 - a. La-Gajjar Machineries Pvt Ltd
 - b. ARKA Fincap Limited (Formerly known as Kirloskar Capital Limited)
 - c. KOEL Americas Corp.
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. We did not review the interim financial information of one subsidiary included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of Rs. 68.82 crs and Rs.29.22 crs, total net profit after tax of Rs. 12.06 crs and Rs.5.00 crs and total comprehensive income of Rs. 12.06 crs and Rs.5.00 crs for the period from 1st April 2020 to 31st December 2020 and for the quarter ended 31st December 2020 respectively as considered in the consolidated unaudited financial results. These interim financial information 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

Offices at: Mumbai | Kolhapur | Belagavi | Hubballi | Dharwad | Bengaluru



P G BHAGWAT LLP

Chartered Accountants

LLPIN: AAT - 9949

solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

7. The consolidated unaudited financial results includes the interim financial information of one subsidiary which have not been reviewed/audited by their auditors and have been furnished to us by the management, whose interim financial information reflect total revenue of Rs. 20.47 crs and Rs.9.79 crs, total net profit/(loss) after tax of Rs. (0.02) crs and Rs.(0.18) crs, total comprehensive income of Rs .(0.01) crs and Rs. (0.17) crs for the period from 1st April 2020 to 31st December 2020 and for the quarter ended 31st December 2020 respectively as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

P G BHAGWAT LLP

Chartered Accountants

FRN : 101118W / W100682



Sanjay Athavale

Partner

Membership No. 83374

Pune : 05th February 2021

UDIN:21083374AAAAAR8955