



Enriching Lives

KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

Date: 24 October 2019

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,

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

1. The Standalone and Consolidated Un-audited Financial Results of the Company for the quarter and half year ended 30 September 2019, which were approved by the Board of Directors in its meeting held on 24 October 2019.
2. A copy of Limited Review Report of the Company, dated 24 October 2019, received from M/S. P. G. Bhagwat, Chartered Accountants, Statutory Auditors of the Company.
3. Mr. R. Srinivasan (DIN 00043658) has tendered his resignation as Independent Director of the Company due to his pre-occupation, with effect from 25 October 2019.

Further, the Company has received confirmation from Mr. R. Srinivasan that there is no other material reason for his resignation other than those mentioned in his resignation letter dated 24 October 2019. The said confirmation received is enclosed herewith.

4. The Board of Directors have appointed, Dr. Shalini Sarin (DIN 06604529), as an Additional Independent Director of the Company for first term of 5 years, with effect from 25 October 2019, subject to approval of members of the Company.

She is not a relative of any director on the Board of the Company.



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A brief profile of Dr. Shalini Sarin is as under:

Dr. Shalini Sarin (age 54) has experience ranging from Chief People Officer to head of Corporate Social Responsibility to Business Leader for the base of the pyramid solar lighting business for social impact. Profit with Purpose & Passion is her mantra and belief. She has worked across India, Europe and US. And now serves on several boards for Profit & Not for Profit. She is an executive coach and a strategic advisor on HR, CSR, sustainability, transformation and leadership.

She started her career as a lecturer of Organization behaviour and has about three decades of Corporate experience. In her role as the HR head, her specialization has been change management, leadership, succession and a significant experience in transformations during mergers, acquisitions, restructuring, divestiture and IPOs.

In her experience as head of Corporate social responsibility, she has been able to influence organizations to align the CSR strategy with the purpose of the organization. She was the chair of all India CSR committee with NHRD, mobilizing early adoption when the CSR bill was passed and was the CHRO Schneider Electric, India.

In the base of the pyramid, social impact business, she has been able to work on building the ecosystem through collaborations to leverage scale and competence. She worked on projects across the world from Indonesia to LATAM including Africa and India in a big way.

She is the Chair the global Signify Foundation and ISA- GTFF – International Solar Alliance- global taskforce of foundations. Both working on access to energy and local capacity building through entrepreneurship. She is also the Independent Director on the board of Linde India and Meritor HVS (India) Limited and Automotive Axles Limited.

She is a partner at Social Venture Partners and a mentor and board member for Beyond diversity Foundation. Besides this she mentors business leaders and several start ups in the social sector on sustainable business models both for profit and not for profit.

She holds a Doctorate in Organization Behaviour, and a Masters in Sociology and Human Resource Management. She has an Advanced Human Resource from Ross School of Business, University of Michigan, an Executive Coach from Motorola University-Chicago and a Psychometrician from British Psychology Society. She is pursuing the International Director's program from INSEAD. She has authored many articles and presented at various Indian and International Conferences.



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She is a director in the following other companies:

Linde India Limited	Automotive Axles Limited
Meritor HVS (India) Limited	

In terms of Circular No. LIST/COMP/14/2018-19 dated 20 June 2018 issued by BSE Limited and Circular No. NSE/CML/2018/02 dated 20 June 2018, issued by National Stock Exchange of India Limited, Dr. Shalini Sarin is not debarred from holding the office of a Director by virtue of any order by SEBI or any other authority.

The meeting of the Board of Directors of the Company commenced at 12.15 pm and concluded at 1.55 pm.

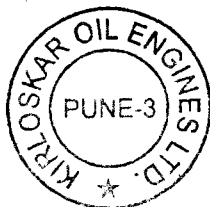
You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For Kirloskar Oil Engines Limited

S. A. Raichurkar
Smita Raichurkar
Company Secretary

Encl.: As above.



KIRLOSKAR OIL ENGINES LIMITED

CIN : L29120PN2009PLC133351

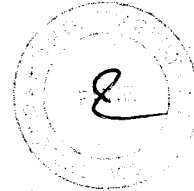
Registered office : Laxmanrao Kirloskar Road, Khadki, Pune - 411003

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2019

(₹ in Crores)

Particulars	Quarter ended			Half year ended		Year ended
	30-09-2019	30-06-2019	30-09-2018	30-09-2019	30-09-2018	31-03-2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
a) Revenue from operations	683.27	765.10	762.03	1,448.37	1,582.00	3,204.35
b) Other Income	9.77	11.34	16.14	21.11	29.24	61.53
Total income	693.04	776.44	778.17	1,469.48	1,611.24	3,265.88
2 Expenses						
a) Cost of raw materials and components consumed	301.27	335.23	363.20	636.50	754.23	1,444.10
b) Purchase of traded goods	153.50	180.68	146.45	334.18	290.44	618.70
c) Changes in inventories of finished goods, work-in-progress and traded goods	(9.20)	(6.77)	(9.95)	(15.97)	6.26	8.27
d) Employee benefits expense	57.32	53.51	54.50	110.83	106.06	215.73
e) Finance costs	1.28	0.78	0.98	2.06	1.79	4.24
f) Depreciation and amortisation expense	16.36	17.18	18.42	33.54	38.19	72.86
g) Other expenses	136.81	129.06	142.04	265.87	277.76	566.44
Total expenses (a to g)	657.34	709.67	715.64	1,367.01	1,474.73	2,930.34
3 Profit before exceptional items and tax	35.70	66.77	62.53	102.47	136.51	335.54
4 Exceptional items - (Expenses) / Income	16.49	-	-	16.49	-	-
5 Profit before tax (3 + 4)	52.19	66.77	62.53	118.96	136.51	335.54
6 Tax expense :						
Current tax	15.37	22.29	22.26	37.66	45.74	110.78
Deferred tax	(0.16)	0.37	(0.96)	0.21	(0.10)	(0.22)
Total Tax expense (6)	15.21	22.66	21.30	37.87	45.64	110.56
7 Net Profit / (Loss) for the period (5 - 6)	36.98	44.11	41.23	81.09	90.87	224.98
8 Other Comprehensive Income / (Expense)						
Re-measurement gains / (losses) on defined benefit plans and others	(1.12)	(0.10)	0.25	(1.22)	0.47	(0.05)
Income tax effect on above	0.35	0.03	(0.13)	0.38	(0.21)	0.02
Total other comprehensive income for the year, net of tax (8)	(0.77)	(0.07)	0.12	(0.84)	0.26	(0.03)
9 Total comprehensive income for the year, net of tax (7 + 8)	36.21	44.04	41.35	80.25	91.13	224.95
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						1,746.20
12 Basic and diluted EPS (₹) (Face value of ₹ 2 each) (not annualized)	2.56	3.05	2.85	5.61	6.28	15.56

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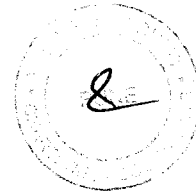


1 Statement of assets and liabilities (Balance Sheet)

(₹ in Crores)

Particulars	As at	
	30-09-2019	31-03-2019
	Unaudited	Audited
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	353.27	372.23
(b) Capital work-in-progress	24.92	17.88
(c) Other Intangible assets	22.29	27.05
(d) Intangible assets under development	33.64	23.04
(e) Financial assets		
(i) Investments	781.88	282.38
(ii) Loans	0.05	0.03
(iii) Other financial assets	59.52	55.54
(f) Other non-current assets	46.34	58.46
Sub-total - Non-current assets	1,321.91	836.61
II. Current assets		
(a) Inventories	292.13	242.17
(b) Financial assets		
(i) Investments	333.52	711.21
(ii) Trade receivables	320.14	355.19
(iii) Cash and cash equivalents	17.47	49.71
(iv) Bank balance other than (iii) above	12.68	136.40
(v) Loans	0.07	0.13
(vi) Other financial assets	36.47	41.39
(c) Assets held for sale	0.11	2.17
(d) Current tax assets (net)	6.33	-
(e) Other current assets	59.97	62.50
Sub-total - Current assets	1,078.89	1,600.87
TOTAL - ASSETS	2,400.80	2,437.48
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) Retained earnings	1,174.27	1,137.61
Sub-total - Equity	1,811.78	1,775.12
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	0.19	-
(ii) Other financial liabilities	18.20	17.35
(b) Long-term provisions	32.46	31.89
(c) Deferred tax liabilities (net)	6.20	6.35
(d) Government grants		
(e) Other non-current liabilities	12.02	8.39
Sub-total - Non-current liabilities	69.07	63.98
II. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	23.39	13.07
(ii) Trade and other payables		
a) total outstanding dues of micro enterprises and small enterprises	23.62	29.72
b) total outstanding dues of creditors other than micro enterprises and small enterprises	333.40	352.26
(iii) Other financial liabilities	46.51	63.32
(b) Other current liabilities	32.51	74.99
(c) Short-term provisions	59.67	64.17
(d) Government grants	0.85	0.85
Sub-total - Current liabilities	519.95	598.38
TOTAL - EQUITY AND LIABILITIES	2,400.80	2,437.48

Contd...3



Particulars	Half year ended		Year Ended
	30-09-2019	30-09-2018	31-03-2019
	Unaudited	Unaudited	Audited
(₹ in Crores)			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax	118.96	136.51	335.54
Adjustments to reconcile profit before tax to net cash flows:			
Add:			
Depreciation and Amortisation	33.54	38.19	72.86
Loss on disposal of assets & Others	0.21	1.13	0.94
Bad debts and irrecoverable balances written off	0.12	1.08	1.84
Allowances for Trade and Other Receivables (net)	3.35	2.21	1.23
Loss / (Profit) on Revalorisation on Imports	0.01	0.18	(0.25)
Loss / (Profit) on Revalorisation on Exports	(1.01)	(1.37)	0.82
Finance cost	2.06	1.79	4.24
Amortisation of rent expenses	0.38	0.45	0.89
	38.66	43.66	82.57
Less :			
Profit / (Loss) on sale of mutual fund investment at FVTPL (net)	7.72	21.26	49.45
Inventories written back	0.31	(2.03)	(1.18)
Marked to Market gain on investments measured at Fair Value through Profit and Loss	6.51	5.35	1.74
Unwinding of interest on deposits	0.37	0.48	0.89
Surplus on sale of assets (Exceptional Item)	16.49	-	-
Interest received (Finance income)	0.33	-	0.74
Sundry Credit Balances Appropriated	1.99	0.02	0.38
Provisions no longer required written back	1.64	2.23	2.50
Unwinding of interest on Govt Grants	1.35	-	-
Dividend received	0.00	0.00	0.00
	36.71	27.31	54.52
Operating Profit before working capital changes	120.91	152.86	363.59
<i>Working Capital Adjustments</i>			
(Increase) / Decrease in Government Grant Receivable	3.99	21.12	(20.66)
(Increase) / Decrease in Trade and Other Receivables	146.38	(7.63)	(93.20)
(Increase) / Decrease in Inventories	(49.64)	(17.49)	21.24
Increase / (Decrease) in Trade and other Payables	(37.99)	22.48	(13.90)
Increase / (Decrease) in Provisions	2.24	3.93	6.33
	64.98	22.41	(100.19)
Net Cash generated from operations	185.89	175.27	263.40
Direct taxes paid	(41.59)	(46.36)	(117.02)
NET CASH FLOW FROM OPERATING ACTIVITIES	144.30	128.91	146.38
CASH FLOW FROM INVESTING ACTIVITIES			
Add :			
Proceeds from Sale of Property, Plant and Equipment	0.04	8.59	8.84
Advance for sale of Property	-	-	18.74
Proceeds from Sale of investments (Net)	391.94	(81.39)	14.37
Interest received (Finance income)	0.33	-	0.74
Dividend received	0.00	0.00	0.00
Investment in subsidiary	(499.50)	(9.00)	(27.00)
Payments for Purchase of Property, Plant and Equipment	(33.87)	(34.76)	(73.50)
NET CASH GENERATED FROM INVESTING ACTIVITIES	(141.06)	(116.56)	(57.81)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from bill discounting & borrowings (net)	23.39	13.70	13.07
Interest paid (finance cost)	(2.03)	(1.79)	(4.24)
Repayment of borrowing	(13.07)	(16.50)	(16.50)
Repayment of Lease Liability	(0.19)	-	-
Final and Interim Dividend Paid	(36.15)	(36.15)	(72.31)
Tax on Final and Interim Dividend	(7.43)	(7.43)	(14.86)
NET CASH USED IN FINANCING ACTIVITY	(35.48)	(48.17)	(94.84)
Net increase / (decrease) in cash and cash equivalents	(32.24)	(35.82)	(6.27)
Opening Cash and Cash equivalents	49.71	55.98	55.98
Closing Cash and Cash equivalents	17.47	20.16	49.71

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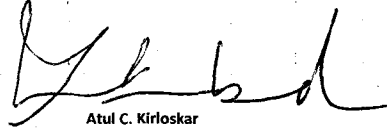


- 3 The Company operates in single reportable segment namely 'Engines'.
- 4 The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 5 Exceptional item consist of profit on sale of property situated at MIDC Industrial Estate, Nagapur, Ahmednagar, Maharashtra.
- 6 During the period ended September 30, 2019, the Company has invested Rs.499.50 Crores towards subscribed and paid-up capital in its wholly owned subsidiary viz. ARKA fincap limited (formerly known as Kirloskar Capital Limited).
- 7 Effective 1 April, 2019, the Company adopted Ind AS 116 "Leases", applied to lease contracts existing on 1 April, 2019 using the modified retrospective method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability. Accordingly, comparatives for the previous quarters and year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption is not material on the profit for the quarter & half year.
- 8 The above results for the half year ended 30 September 2019 are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 24 October 2019 and are subjected to a "Limited Review" by the Statutory Auditors.
- 9 The figures for the previous periods have been regrouped whenever required to make them comparable with those of the current period.

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

Place : Pune
Date : 24 October 2019

For Kirloskar Oil Engines Limited



Atul C. Kirloskar
Executive Chairman



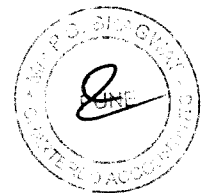
Independent Auditor's Review Report On standalone unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 period ended 30th September 2019 being submitted by the company pursuant to the requirement of regulation 33 of SEBI (Listing Obligations and disclosure - requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the figures in net cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.

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.

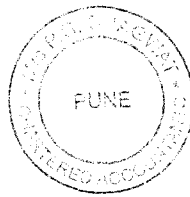


M/s P. G. BHAGWAT

CHARTERED ACCOUNTANTS

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.

For M/s P.G Bhagwat,
Chartered Accountants,
Firm's Registration Number: 101118W



A handwritten signature in black ink, appearing to read "Nachiket Deo".

Nachiket Deo
Partner

Place: Pune

Date: 24th October 2019

Membership No. 117695

UDIN: 19117695 AAAAFJ4380

KIRLOSKAR OIL ENGINES LIMITED
CIN : L29120PN2009PLC133351

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

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2019

(₹ in Crores)

Particulars	Consolidated					
	Quarter ended			Half year ended		Year ended
	30-09-2019	30-06-2019	30-09-2018	30-09-2019	30-09-2018	31-03-2019
	Unaudited	Unaudited	Note No-10	Unaudited	Note No-10	Audited
1 Income						
a) Revenue from operations	818.17	902.48	851.27	1,720.65	1,794.08	3,627.67
b) Other Income	10.88	11.96	17.75	22.84	32.60	65.47
Total income	829.05	914.44	869.02	1,743.49	1,826.68	3,693.14
2 Expenses						
a) Cost of raw materials and components consumed	379.12	409.99	417.89	789.11	869.89	1,673.73
b) Purchase of traded goods	161.14	187.01	148.51	348.15	296.05	632.89
c) Changes in inventories of finished goods, work-in-progress and traded goods	(20.51)	(7.78)	(12.68)	(28.29)	19.24	22.24
d) Employee benefits expense	70.78	64.16	60.42	134.94	118.24	242.91
e) Finance costs	3.32	3.10	3.27	6.42	7.83	14.52
f) Depreciation and amortisation expense	21.32	22.13	23.47	43.45	48.60	94.40
g) Other expenses	171.99	163.96	165.55	335.95	331.38	680.99
Total expenses (a to g)	787.16	842.57	806.43	1,629.73	1,691.23	3,361.68
3 Profit before exceptional items and tax	41.89	71.87	62.59	113.76	135.45	331.46
4 Exceptional items - (Expenses) / Income	16.49			16.49		
5 Profit before tax (3 + 4)	58.38	71.87	62.59	130.25	135.45	331.46
6 Tax expense :						
Current tax	18.57	25.48	22.30	44.05	45.81	113.21
Deferred tax	(1.09)	(0.74)	(0.36)	(1.83)	1.35	(1.37)
Total Tax expense (6)	17.48	24.74	21.94	42.22	47.16	111.84
7 Net Profit / (Loss) for the period (5 - 6)	40.90	47.13	40.65	88.03	88.29	219.62
8 Other Comprehensive Income / (Expense)						
Re-measurement gains / (losses) on defined benefit plans and others	(1.04)	(0.09)	0.30	(1.13)	0.61	0.17
Income tax effect on above	0.34	0.02	(0.12)	0.36	(0.18)	0.00
Total other comprehensive income for the year, net of tax (8)	(0.70)	(0.07)	0.18	(0.77)	0.43	0.17
9 Total comprehensive income for the year, net of tax (7 + 8)	40.20	47.06	40.83	87.26	88.72	219.79
10 Profit for the period attributable to:						
a) Owners of the Company	39.99	46.54	40.86	86.53	88.23	219.17
b) Non-controlling interest	0.91	0.59	(0.21)	1.50	0.06	0.45
11 Other comprehensive income for the period attributable to:						
a) Owners of the Company	(0.71)	(0.07)	0.18	(0.78)	0.44	0.16
b) Non-controlling interest	0.01	0.00	(0.00)	0.01	(0.01)	0.01
12 Total comprehensive income for the period attributable to:						
a) Owners of the Company	39.28	46.47	41.04	85.75	88.67	219.33
b) Non-controlling interest	0.92	0.59	(0.21)	1.51	0.05	0.46
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						1,669.66
15 Basic and diluted EPS (₹) (Face value of ₹ 2 each) [not annualized]	2.77	3.22	2.82	5.98	6.10	15.16

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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			Half year ended		Year ended
	30-09-2019	30-06-2019	30-09-2018	30-09-2019	30-09-2018	31-03-2019
	Unaudited	Unaudited	Note No-10	Unaudited	Note No-10	Audited
SEGMENT REVENUE						
Engines	630.50	690.01	704.83	1320.51	1467.47	2997.34
Electric Pumps	143.06	159.08	118.93	302.14	258.77	488.99
Financial Services	10.38	8.63	0.00	19.01	0.00	0.00
Others	33.73	44.43	27.41	78.16	67.73	140.52
Unallocated	0.50	0.33	0.10	0.83	0.11	0.82
REVENUE FROM OPERATIONS	818.17	902.48	851.27	1720.65	1794.08	3627.67
SEGMENT RESULTS						
Engines	31.58	64.77	50.94	96.35	121.54	306.04
Electric Pumps	7.27	7.80	3.56	15.07	10.38	17.38
Financial Services	1.38	1.53	(0.09)	2.91	(3.10)	(9.90)
Others	(4.83)	(3.65)	(4.66)	(8.48)	(5.75)	(11.82)
Unallocated	9.81	4.52	16.11	14.33	20.21	44.28
Total	45.21	74.97	65.86	120.18	143.28	345.98
Less:						
(i) Finance Cost	3.32	3.10	3.27	6.42	7.83	14.52
(ii) Exceptional Item	(16.49)	0.00	0.00	(16.49)	0.00	0.00
Profit Before Tax	58.38	71.87	62.59	130.25	135.45	331.46
SEGMENT ASSETS						
Engines	1103.78	1119.99	1085.21	1103.78	1085.21	1093.00
Electric Pumps	474.14	448.22	462.68	474.14	462.68	446.24
Financial Services	530.48	600.70	8.92	530.48	8.92	17.94
Others	76.47	66.62	68.80	76.47	68.80	75.03
Unallocated assets	414.64	527.45	876.83	414.64	876.83	972.66
TOTAL ASSETS	2599.51	2762.98	2502.44	2599.51	2502.44	2604.87
SEGMENT LIABILITIES						
Engines	494.79	589.61	555.52	494.79	555.52	546.72
Electric Pumps	191.41	173.06	182.40	191.41	182.40	173.77
Financial Services	8.58	80.53	0.00	8.58	0.00	-
Others	30.40	35.53	27.55	30.40	27.55	46.16
Unallocated Liabilities	135.22	140.44	120.93	135.22	120.93	139.64
TOTAL LIABILITIES	860.40	1019.17	886.40	860.40	886.40	906.29

Contd...3



2 Statement of assets and liabilities (Balance Sheet)

(₹ in Crores)

Particulars	Consolidated	
	As at 30-09-2019	As at 31-03-2019
	Unaudited	Audited
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	387.34	399.84
(b) Capital work-in-progress	24.93	17.89
(d) Goodwill	184.50	184.50
(e) Other Intangible assets	68.36	78.95
(f) Intangible assets under development	34.88	23.03
(g) Financial assets		
(i) Investments	20.71	0.01
(ii) Finance Receivables	27.20	-
(iii) Loans	0.30	0.33
(iv) Other financial assets	75.47	70.87
(h) Other non-current assets	47.62	59.96
Sub-total - Non-current assets	871.31	835.38
II. Current assets		
(a) Inventories	379.26	309.58
(b) Financial assets		
(i) Investments	670.88	711.21
(ii) Trade receivables	373.91	406.78
(iii) Cash and cash equivalents	57.05	61.74
(iv) Bank balance other than (iii) above	12.90	136.63
(v) Finance Receivables	93.08	-
(vi) Loans	0.33	0.19
(vii) Other financial assets	41.50	44.35
(c) Assets held for sale	0.11	2.17
(d) Current tax assets (net)	8.06	1.66
(e) Other current assets	91.12	95.18
Sub-total - Current assets	1,728.20	1,769.49
TOTAL - ASSETS	2,599.51	2,604.87
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) Employee Stock Option Reserve	2.51	-
(iv) Retained earnings	1,098.77	1,060.81
(v) Reserves representing unrealised gains/ losses	0.32	0.26
Sub-total - Equity	1,739.11	1,698.58
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	19.23	16.69
(ii) Other financial liabilities	104.19	98.16
(b) Long-term provisions	33.94	32.91
(c) Deferred tax liabilities (net)	16.48	18.68
(d) Other non-current liabilities	12.02	8.39
Sub-total - Non-current liabilities	185.86	174.83
II. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	67.91	64.78
(ii) Trade and other payables		
a) total outstanding dues of micro enterprises and small enterprises	61.24	56.37
b) total outstanding dues of creditors other than micro enterprises and small enterprises	373.21	382.23
(iii) Other financial liabilities	61.69	74.76
(b) Other current liabilities	37.09	78.40
(c) Short-term provisions	72.55	74.07
(d) Government grants	0.85	0.85
Sub-total - Current liabilities	674.54	731.46
TOTAL - EQUITY AND LIABILITIES	2,599.51	2,604.87

Contd...4



3 Statement of Cash Flow

(₹ in Crores)

Particulars	Consolidated		
	Half year ended		Year ended
	30-09-2019	30-09-2018	31-03-2019
	Unaudited	Note No-10	Audited
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax	130.25	135.45	331.46
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Add:			
Depreciation and Amortisation	43.45	48.60	94.40
Loss on disposal of assets & Others	0.88	1.20	1.96
Inventories written down	2.41	5.16	3.74
Bad debts and irrecoverable balances written off	0.17	1.08	2.09
Allowances for Trade and Other Receivables (net)	3.71	0.40	1.99
Loss / (Profit) on Revalorisation on Imports	(0.01)	0.20	(0.23)
Loss / (Profit) on Revalorisation on Exports	(1.12)	(2.69)	0.41
Provisions for share based payments	2.51	-	-
Unrealised gains/ losses on translation of foreign operation	0.06	0.21	0.16
Finance cost	6.42	7.83	14.52
Amortisation of rent expenses	0.63	0.94	2.03
	59.11	62.93	121.07
Less:			
Profit / (Loss) on sale of mutual fund investment at FVTPL (net)	10.98	21.26	49.45
Marked to Market gain on investments measured at Fair Value through Profit and Loss	7.39	5.35	1.74
Unwinding of interest on deposits	1.03	0.96	1.99
Surplus on sale of assets (Exceptional Item)	16.49	-	-
Interest received (Finance income)	0.33	0.33	1.01
Sundry Credit Balances Appropriated	1.99	0.02	0.61
Provisions no longer required written back	2.35	2.23	4.44
Unwinding of interest on government grant	1.35	-	-
Dividend received	0.00	0.00	0.00
	41.91	30.15	59.24
Operating Profit before working capital changes	147.45	168.23	393.29
<i>Working Capital Adjustments</i>			
(Increase) / Decrease in Government Grant Receivables	3.99	21.12	(20.64)
(Increase) / Decrease in Trade and Other Receivables	18.79	23.76	(67.89)
(Increase) / Decrease in Inventories	(72.09)	(6.45)	31.25
Increase / (Decrease) in Trade and other Payables	(9.92)	7.93	(33.88)
Increase / (Decrease) in Provisions	6.93	6.48	11.43
	(52.30)	52.84	(79.73)
Net Cash generated from operations	95.15	221.07	313.56
Direct taxes paid	(46.92)	(47.60)	(121.20)
NET CASH FLOW FROM OPERATING ACTIVITIES	48.23	173.47	192.36
CASH FLOW FROM INVESTING ACTIVITIES			
Add :			
Proceeds from Sale of Property, Plant and Equipment	0.65	8.60	9.35
Advance for sale of Property	-	-	18.74
Proceeds from Sale of investments (Net)	38.00	(81.39)	15.22
Interest received (Finance income)	0.33	0.33	1.01
Dividend received	0.00	0.00	0.00
	38.98	(72.46)	44.32
Less :			
Payments for Purchase of Property, Plant and Equipment	37.43	37.27	81.16
	37.43	37.27	81.16
NET CASH GENERATED FROM INVESTING ACTIVITIES	1.55	(109.73)	(36.84)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds/(Repayment) bill discounting & borrowings (Net)	(2.00)	(41.52)	(51.92)
Repayment of lease liability	(2.37)	-	-
Interest paid (finance cost)	(6.02)	(8.52)	(15.22)
Stamp duty paid by subsidiary	(0.50)	-	-
Final and Interim Dividend Paid	(36.15)	(36.15)	(72.31)
Tax on Final and Interim Dividend	(7.43)	(7.43)	(14.86)
NET CASH USED IN FINANCING ACTIVITY	(54.47)	(93.62)	(154.31)
Net increase / (decrease) in cash and cash equivalents	(4.69)	(29.88)	1.21
Opening Cash and Cash equivalents	61.74	60.53	60.53
Closing Cash and Cash equivalents	57.05	30.65	61.74

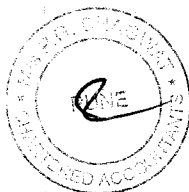
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- 4 As per IND AS 108 "Operating Segments", The Group has reported 'Segment information' as described below:-
- A) Engines - The Engines segment includes production, sales and services of Engines, Gensets and spares parts.
- B) Electric Pumps - The 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 subsidiary ARKA Fincap Limited. (formerly known as Kirloskar Capital Limited)
- D) Other Segments - This represents others 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 Exceptional item consist of profit on sale of property situated at MIDC Industrial Estate, Nagapur, Ahmednagar, Maharashtra.
- 7 During the period ended September 30, 2019, the Parent Company has invested Rs.499.50 Crores towards subscribed and paid-up capital in its wholly owned subsidiary viz. ARKA fincap limited (formerly known as Kirloskar Capital Limited).
- 8 Effective 1 April, 2019, the Group adopted Ind AS 116 "Leases", applied to lease contracts existing on 1 April, 2019 using the modified retrospective method along with the transition option to recognise Right-of-Use asset (ROU) at an amount equal to the lease liability. Accordingly, comparatives for the previous quarters and year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption is not material on the profit for the quarter & half year.
- 9 The Consolidated Financials Results includes the results of following Subsidiaries:-
- 1- La-Gajjar.Machineries Private Limited
- 2- ARKA Fincap Limited (Formerly known as Kirloskar Capital Limited)
- 3- KOEL Americas Corp.
- 10 In the previous year the Company had opted to publish Consolidated Financial Results on an annual basis accordingly the Consolidated Financial Results for the quarter and half year ended 30 Sep 2018 are approved by the Board of Directors of the Company but have not been subjected to review by the Statutory Auditors.
- 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 results for the half year ended 30 September 2019 are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 24 October 2019 and are subjected to a "Limited Review" by the Statutory Auditors.

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

Place : Pune
Date : 24 October 2019



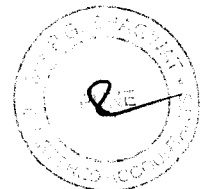
For Kirloskar Oil Engines Limited

Atul C. Kirloskar
Executive Chairman

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"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30th Sept 2018 and the corresponding period from 01st April 2018 to 30th Sept 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
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 Machinerics Pvt Ltd
 - b. ARKA Fincap Limited (Formerly known as Kirloskar Capital Limited)
 - c. KOEL Americas Corp.

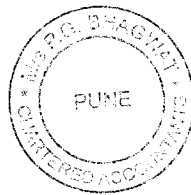


M/s P. G. BHAGWAT

CHARTERED ACCOUNTANTS

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 assets of Rs.532.15 crs as at 30th Sept 2019 and total revenues of Rs. 19.12 crs and Rs.10.44 crs, total net profit after tax of Rs. 0.89 crs and Rs.0.35 crs and total comprehensive income of Rs. 0.89 crs and Rs.0.35 crs for the period from 01st April 2019 to 30th Sept 2019 and for the quarter ended 30th Sept 2019 respectively and cash flows (net) of Rs. (8.27) crs for the period from 01st April 2019 to 30th Sept 2019 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 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 assets of Rs. 9.39 crs as at 30th Sept 2019 and total revenue of Rs. 8.87 crs and Rs.4.50 crs, total net profit/(loss) after tax of Rs.0.21 crs and Rs (0.02) crs, total comprehensive income of Rs. 0.28 and Rs.0.05 crs for the period from 01st April 2019 to 30th Sept 2019 and for the quarter ended 30th Sept 2019 respectively and cash flows (net) of Rs. 0.08 crs for the period from 01st April 2019 to 30th Sept 2019 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.

For M/s P.G Bhagwat,
Chartered Accountants,
Firm's Registration Number: 101118W



A handwritten signature in black ink, appearing to be "Nachiket Deo".

Nachiket Deo
Partner

Place: Pune

Date: 24th October 2019

Membership No. 117695

UDIN: 19117695 AAAAFK 5461

R. Srinivasan

**'Dhanya' 126, Nandidurg Road
Bangalore – 560 046**

Date: 24 October 2019

To,
The Board of Directors,
Kirloskar Oil Engines Limited
Laxmanrao Kirloskar Road,
Khadki, Pune – 411 003

Subject: Confirmation

Dear Sir/Madam,

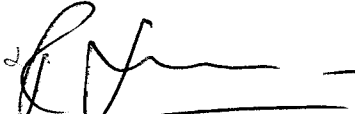
In connection to my resignation letter dated 24 October 2019, resigning from the position of "Independent Director" of Kirloskar Oil Engines Limited with effect from 25 October 2019 and as per Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Clause 7B of Part A of Schedule III of the Listing Regulations, I confirm that there are no other material reasons other than those which I have provided in my resignation letter.

Additional details in connection to my resignation from Kirloskar Oil Engines Limited is as below:

Sr. No.	Particulars	Comment
1	Detailed reasons for the resignation	Due to my pre-occupation, I resign from the position of "Independent Director" of Kirloskar Oil Engines Limited

Thanking you,

Yours' faithfully,



R. Srinivasan

DIN: 00043658