

Date: 8<sup>th</sup> May 2024

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 Audited Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March 2024 and the Consolidated Audited Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March 2024, which were approved by the Board of Directors in its meeting held on 8<sup>th</sup> May 2024;
2. Auditors Report received from G. D. Apte & Co., Chartered Accountants, Pune, (Firm Registration No. 100515W), Statutory Auditors of the Company on aforesaid Audited Financial Results - Standalone and Consolidated;
3. A declaration in respect of Audit Report with unmodified opinion;
4. The Board of Directors in its meeting held on 8<sup>th</sup> May 2024, has recommended the final dividend of Rs. 3.50/- (175%) per equity share of Rs. 2/- each for the financial year 2023-24, subject to the approval of the members at the ensuing Annual General Meeting and shall be paid through National Electronic Clearing System (NECS) or any other electronic mode or by dividend warrants or demand drafts, as the case may be.

Kirloskar Oil Engines Limited  
A Kirloskar Group Company

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

Tel: +91 (20) 25810341, 66084000

Fax: +91 (20) 25813208, 25810209

Email: [info@kirloskar.com](mailto:info@kirloskar.com) | Website: [www.kirloskaroilengines.com](http://www.kirloskaroilengines.com)

CIN: L29100PN2009PLC133351

The dividend if approved by the Members shall be paid on or before 6<sup>th</sup> September 2024.

The meeting of the Board of Directors of the Company commenced at 2.00 pm and concluded at 4.45 pm.

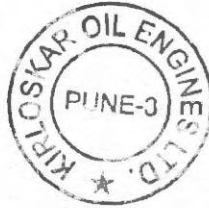
You are requested to take the same on your record.

Thanking you,

Yours faithfully,  
For Kirloskar Oil Engines Limited



Smita Raichurkar  
Company Secretary and Head Legal



Encl.: As above.

KIRLOSKAR OIL ENGINES LIMITED

CIN : L29100PN2009PLC133351

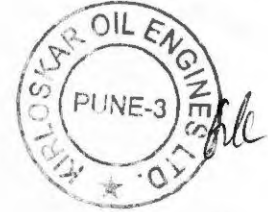
Registered office : Laxmanrao Kirloskar Road, Khadki, Pune - 411003

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2024

( ₹ In Crores )

Particulars	Quarter ended			Year ended	
	31-03-2024	31-12-2023	31-03-2023	31-03-2024	31-03-2023
	Audited	Unaudited	Audited	Audited	Audited
<b>1 Income</b>					
a) Revenue from operations	1,391.68	1,135.19	1,152.59	4,850.54	4,116.13
b) Other income	8.47	5.65	9.45	27.44	24.90
<b>Total Income (a+b)</b>	<b>1,400.15</b>	<b>1,140.84</b>	<b>1,162.04</b>	<b>4,877.98</b>	<b>4,141.03</b>
<b>2 Expenses</b>					
a) Cost of raw materials and components consumed	681.06	564.14	569.81	2,411.89	2,038.90
b) Purchase of traded goods	223.07	190.73	231.44	820.32	812.80
c) Changes in inventories of finished goods, work-in-progress and traded goods	17.06	(5.59)	(23.78)	11.71	(62.01)
d) Employee benefits expense	87.53	79.23	63.08	306.92	236.48
e) Finance costs	2.85	1.98	1.33	7.78	5.36
f) Depreciation and amortisation expense	25.70	25.67	21.68	97.01	84.76
g) Other expenses	209.25	178.76	214.55	756.08	671.87
h) Expenses capitalised	(4.47)	(4.98)	(3.60)	(20.57)	(11.27)
<b>Total expenses (a to h)</b>	<b>1,242.05</b>	<b>1,029.94</b>	<b>1,074.51</b>	<b>4,391.14</b>	<b>3,776.89</b>
<b>3 Profit before exceptional items and tax (1 - 2)</b>	<b>158.10</b>	<b>110.90</b>	<b>87.53</b>	<b>486.84</b>	<b>364.14</b>
<b>4 Exceptional Items - (expense) / income</b>	-	-	-	-	-
<b>5 Profit before tax (3 + 4)</b>	<b>158.10</b>	<b>110.90</b>	<b>87.53</b>	<b>486.84</b>	<b>364.14</b>
<b>6 Tax expense :</b>					
Current tax	40.70	25.67	25.88	120.50	99.45
Deferred tax	(0.22)	3.04	(3.24)	4.71	(5.56)
<b>Total tax expense (6)</b>	<b>40.48</b>	<b>28.71</b>	<b>22.64</b>	<b>125.21</b>	<b>93.89</b>
<b>7 Net profit / (loss) for the period (5 - 6)</b>	<b>117.62</b>	<b>82.19</b>	<b>64.89</b>	<b>361.63</b>	<b>270.25</b>
<b>8 Other Comprehensive Income / (Loss)</b>					
Items that will not be reclassified to profit or loss in subsequent periods					
Re-measurement gain / (loss) on defined benefit plans	(1.29)	(0.77)	(10.69)	(3.61)	(8.57)
Income tax (expense)/income on above	0.32	0.19	2.69	0.90	2.16
<b>Subtotal (a)</b>	<b>(0.97)</b>	<b>(0.58)</b>	<b>(8.00)</b>	<b>(2.71)</b>	<b>(6.41)</b>
Net gain / (loss) on equity instruments measured at fair value through other comprehensive income	0.10	-	(3.27)	0.10	(3.27)
Income tax (expense)/income on above	(0.02)	-	0.75	(0.02)	0.75
<b>Subtotal (b)</b>	<b>0.08</b>	<b>-</b>	<b>(2.52)</b>	<b>0.08</b>	<b>(2.52)</b>
<b>Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods [(a) + (b)]</b>	<b>(0.89)</b>	<b>(0.58)</b>	<b>(10.52)</b>	<b>(2.63)</b>	<b>(8.93)</b>
<b>Total other comprehensive income/(loss) for the year, net of tax (8)</b>	<b>(0.89)</b>	<b>(0.58)</b>	<b>(10.52)</b>	<b>(2.63)</b>	<b>(8.93)</b>
<b>9 Total comprehensive income/(loss) for the year, net of tax (7 + 8)</b>	<b>116.73</b>	<b>81.61</b>	<b>54.37</b>	<b>359.00</b>	<b>261.32</b>
<b>10 Paid-up equity share capital (Face value of ₹ 2 each)</b>	<b>28.99</b>	<b>28.98</b>	<b>28.95</b>	<b>28.99</b>	<b>28.95</b>
<b>11 Other equity</b>				<b>2,593.70</b>	<b>2,302.89</b>
<b>12 Basic Earnings Per Share (EPS) ( ₹ ) (Face value of ₹ 2 each) [not annualized]</b>	<b>8.12</b>	<b>5.67</b>	<b>4.48</b>	<b>24.96</b>	<b>18.68</b>
<b>13 Diluted EPS ( ₹ ) (Face value of ₹ 2 each) [not annualized]</b>	<b>8.09</b>	<b>5.65</b>	<b>4.47</b>	<b>24.89</b>	<b>18.64</b>

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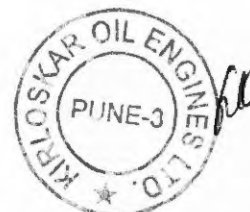


Notes :

## 1 Statement of assets and liabilities (Balance Sheet)

Particulars	Standalone	Standalone
	As at	As at
	31-03-2024	31-03-2023
	Audited	Audited
<b>ASSETS</b>		
<b>I. Non-current assets</b>		
(a) Property, plant and equipment	395.25	362.36
(b) Capital work-in-progress	202.28	15.82
(c) Right-of-use assets	12.86	15.89
(d) Other Intangible assets	82.73	46.85
(e) Intangible assets under development	40.29	50.61
(f) Financial assets		
(i) Investments	1,487.86	1,430.87
(ii) Loans	0.03	8.04
(iii) Other financial assets	14.42	15.00
(g) Income tax assets (net)	21.84	33.92
(h) Other non-current assets	5.67	44.11
<b>Sub-total - Non-current assets</b>	<b>2,263.23</b>	<b>2,023.47</b>
<b>II. Current assets</b>		
(a) Inventories	523.51	468.45
(b) Financial assets		
(i) Investments	388.34	261.65
(ii) Trade receivables	568.44	467.21
(iii) Cash and cash equivalents	89.57	23.91
(iv) Bank balances other than (iii) above	8.43	9.92
(v) Loans	10.75	21.88
(vi) Other financial assets	33.72	34.26
(c) Assets held for sale	-	-
(d) Other current assets	35.08	29.02
<b>Sub-total - Current assets</b>	<b>1,657.84</b>	<b>1,316.30</b>
<b>TOTAL - ASSETS</b>	<b>3,921.07</b>	<b>3,339.77</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	28.99	28.95
(b) Other equity	2,593.70	2,302.89
<b>Sub-total - Equity</b>	<b>2,622.69</b>	<b>2,331.84</b>
<b>LIABILITIES</b>		
<b>I. Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	67.21	-
(ii) Lease liabilities	0.07	2.51
(iii) Other financial liabilities	16.27	18.20
(b) Provisions	38.37	33.22
(c) Deferred tax liabilities (net)	9.95	6.12
(d) Other non-current liabilities	21.69	22.62
<b>Sub-total - Non-current liabilities</b>	<b>153.56</b>	<b>82.67</b>
<b>II. Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	141.92	75.14
(ii) Lease liabilities	2.44	2.89
(iii) Trade and other payables		
a) total outstanding dues of micro enterprises and small enterprises	111.36	97.59
b) total outstanding dues of creditors other than micro enterprises and small enterprises	616.04	535.02
(iv) Other financial liabilities	107.40	63.66
(b) Other current liabilities	74.42	60.08
(c) Provisions	91.24	90.88
<b>Sub-total - Current liabilities</b>	<b>1,144.82</b>	<b>925.26</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>3,921.07</b>	<b>3,339.77</b>

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## 2 Statement of Cash Flow

Particulars	Year ended	Year ended
	31-03-2024	31-03-2023
	Audited	Audited
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	486.84	364.14
Adjustments:		
<b>Add:</b>		
Depreciation and amortisation expense	97.01	84.76
Finance costs	7.78	5.36
Share based compensation of employees	1.79	1.85
Impairment loss allowance, write off on trade receivables / other receivables (net)	0.18	26.17
Bad debts and irrecoverable balances written off	9.52	1.07
Write down / (reversal) in write down of inventories	10.64	2.68
(Gain)/ Loss on fair valuation of derivative instruments	2.36	(2.07)
	<b>129.28</b>	<b>119.82</b>
<b>Less :</b>		
Gain/(Loss) on sale of investments in mutual funds measured at fair value through profit and loss ("FVTPL") (net)	13.07	13.94
Gain/ (Loss) on fair valuation of investments in Mutual Funds measured at FVTPL (net)	4.54	4.18
Provisions no longer required written back	4.26	5.48
Interest income	6.23	1.89
Unwinding of security deposit & subsidy receivable under Package Scheme of Incentives (PSI) Scheme, 2002	0.18	(1.05)
Gain/ (Loss) on disposal of property, plant and equipment (net)	0.42	0.39
Profit/(Loss) on reinstatement on receivables/payables	0.78	(0.84)
Sundry credit balances written back	0.19	1.31
Revenue from deferred Export Promotion Capital Goods (EPCG) Scheme	-	0.15
Dividend income	0.00	0.00
	<b>29.67</b>	<b>25.45</b>
<b>Operating profit before working capital changes</b>	<b>586.45</b>	<b>458.51</b>
<i>Working Capital Adjustments</i>		
(Increase)/Decrease in government grant receivables	0.93	2.50
(Increase)/Decrease in trade and other receivables	(104.39)	(85.68)
(Increase)/Decrease in Inventories	(65.69)	(168.05)
Increase/(Decrease) in trade and other payables	120.95	138.49
Increase/(Decrease) in provisions	4.07	10.29
	<b>(44.13)</b>	<b>(102.45)</b>
<b>Net cash generated from operations</b>	<b>542.32</b>	<b>356.06</b>
Income tax paid (net of refunds)	(108.43)	(95.98)
<b>NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES</b>	<b>433.89</b>	<b>260.08</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment in subsidiaries	(56.90)	(328.96)
Purchase of property, plant and equipment (PPE) and intangible assets	(276.49)	(121.31)
(Purchase)/ Proceeds from sale of mutual funds (net)	(109.09)	323.52
Proceeds from sale of PPE & other intangible assets including advances	0.79	0.67
Fixed deposits placed	0.13	(0.29)
Loans granted to/(repaid by) subsidiaries	19.14	(29.85)
Dividend received	0.00	0.00
Interest received	4.22	0.60
<b>NET CASH (USED IN ) INVESTING ACTIVITIES</b>	<b>(418.20)</b>	<b>(155.62)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from bill discounting & short term borrowings	111.75	74.99
(Repayment) of bill discounting & short term borrowings	(75.14)	(46.77)
Proceeds from long term borrowings	107.21	-
(Repayment) of long term borrowings	(10.00)	(50.00)
Final and interim dividend paid	(72.44)	(72.34)
Finance costs	(10.68)	(5.00)
Payment for lease liabilities	(3.16)	(3.22)
Proceeds from issuance of share capital including securities premium	2.09	1.36
Receipt of share application money pending allotment of shares	0.34	0.07
<b>NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>49.97</b>	<b>(100.91)</b>
<b>Net increase/(decrease) in Cash and cash equivalents</b>	<b>65.66</b>	<b>3.55</b>
<b>Opening Cash and cash equivalents</b>	<b>23.91</b>	<b>20.36</b>
<b>Closing Cash and cash equivalents</b>	<b>89.57</b>	<b>23.91</b>

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. Income Tax paid is treated as arising from operating activities and are not bifurcated between investing and financing activities.

iii. All figures in bracket indicate cash outflow.



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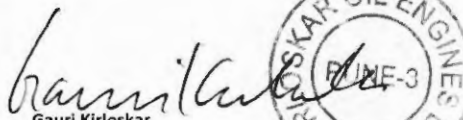
**Notes :**

- 3 The Company mainly operates in the business of manufacturing of Engines wherein from the quarter ended 31st December 2022, two customer based reportable segments have been identified namely - Business to Business ("B2B") and Business to Customer ("B2C"). However, as per para 4 of Ind AS 108 "Operating Segments", the Company is required to disclose segment information only in the Consolidated Financial Results. Accordingly, disclosure of this information has been included under Consolidated Financial Results for the quarter and year ended 31st March 2024.
- 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 The Company consistently recognizes provision for any significantly delayed receivables, for accounting of expected credit losses. Provision for doubtful debts and advances as at 31st March 2024 includes a fully provided receivable of Rs. 41.47 crore (31st December 2023 : Rs. 41.47 crore and 31st March 2023 : Rs. 28.09 crore) in respect of receivables against sales of Gensets to a customer made in previous years. The aforesaid provision is net of reversal of Rs. 4.98 crore arising on account of receipt of payment from the customer during the previous quarter ended 31st December 2023. While the Company is in active discussions with the customer for the remaining payment, the aforesaid provision has been continued as per the consistent policy of the Company for accounting of expected credit losses.
- 6 During the quarter ended 31st March 2024, the Company has allotted 54,860 fully paid-up equity shares of Rs. 2/- each to the option grantees upon exercise of Employee Stock Options pursuant to 'Kirloskar Oil Engines Limited – Employee Stock Option Plan 2019' ('KOEL ESOP 2019'). Consequent to aforesaid allotment, the paid-up equity share capital of the Company has increased from 14,49,00,946 fully paid-up equity shares of Rs. 2/- each to 14,49,55,806 fully paid-up equity shares of Rs. 2/- each.
- 7 The Board of Directors of Optiqua Pipes and Electricals Private Limited (OPEPL/Transferor Company, a step-down subsidiary of the Company) and La-Gajjar Machineries Private Limited (LGM/Transferee Company, a wholly-owned subsidiary of the Company), at their respective meetings held on 3rd July 2023, have given consent for the Scheme of Amalgamation between OPEPL and LGM under Section 233 and other applicable provisions of the Companies Act, 2013. The Scheme of Amalgamation ("the Scheme") is approved by the Members and Creditors of OPEPL and LGM in their respective Extraordinary General Meetings held on 21st September 2023 and thereafter by the relevant Statutory and Regulatory authorities. On 22nd March 2024, LGM and OPEPL have received the order from Regional Director, Ahmedabad (North Western Region) sanctioning the Scheme and on 26th March 2024 LGM and OPEPL have filed the same with the Ministry of Corporate Affairs / Registrar of Companies, Ahmedabad, Gujarat. Accordingly, the aforesaid Scheme is effective from 26th March 2024. Pursuant to the said scheme the entire issued, subscribed and paid up capital of OPEPL stands cancelled on 26th March 2024. Accordingly, OPEPL ceased to be the wholly owned subsidiary of LGM and step down subsidiary of KOEL. The said scheme became operative with retrospective effect from 1st April 2023 (the Appointed Date).
- 8 The figures for the quarter ended 31st March 2024 are balancing figures between audited figures in respect of full financial year ended 31st March 2024 and the published year to date figures upto the third quarter ended 31st December 2023 which were subjected to "Limited Review" by the Statutory Auditors of the Company.
- 9 The figures for the previous quarters/year have been regrouped wherever required to make them comparable with those of the current quarter/year.
- 10 The above results for the quarter and year ended 31st March 2024 are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 8th May 2024 and are audited by the Statutory Auditors of the Company.
- 11 The Board of Directors in its meeting held on 8th May 2024 has recommended a final dividend of Rs. 3.50/- (175%) per fully paid up equity share of Rs. 2 each for the year ended 31st March 2024.

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

For Kirloskar Oil Engines Limited

Place : Pune  
Date : 8th May 2024

  
Gauri Kirloskar  
Managing Director  
DIN: 03366274



**Independent Auditor's Report on the Quarterly and Annual Standalone Financial Results of Kirloskar Oil Engines Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

**The Board of Directors  
Kirloskar Oil Engines Limited**

**Report on audit of Standalone Financial Results**

**Opinion**

We have audited the accompanying standalone financial results of Kirloskar Oil Engines Limited ("the Company") for the quarter and year ended March 31, 2024, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, these standalone financial results:

- i. Are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. Give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive loss and other financial information of the Company for the quarter and year ended March 31, 2024.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of Companies Act, 2013 (the Act). Our responsibility under those Standards is further described in the Auditor's Responsibility for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibility for Standalone Financial Results**

These quarterly and annual financial results have been prepared on the basis of standalone financial statements. The Company's Board of Directors are responsible for the preparation of these financial

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Email – [audit@gdaca.com](mailto:audit@gdaca.com)

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results that give a true and fair view of the net profit and other comprehensive loss and other financial information in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the presentation of the standalone financial results that give a true and fair view and free from material misstatement, whether due to fraud or error.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the audit of Standalone Financial Results**

Our objectives are to obtain reasonable assurance whether the standalone financial results as a whole are free from material misstatement, whether due to fraud and error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these standalone financial results.

As a part of an audit in accordance with the SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This risk of not detecting a material misstatement resulting from a fraud is higher than one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.





- Conclude on the appropriateness of the Board of Director's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and the events in the manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of audit and the significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

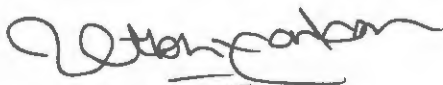
We also provide those charged with governance with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matter

The quarterly standalone financial results for the quarter ended March 31, 2024 are the derived figures between the audited figures for the year ended March 31, 2024 and the published year-to-date figures up to December 31, 2023 being the date of the end of third quarter of the current financial year which were subjected to limited review as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 by us.

Our opinion is not modified in respect of this matter.

For G.D. Apte & Co.  
Chartered Accountants  
Firm Registration Number: 100515W  
UDIN: 24113053BKBFHF8908



Umesh. S. Abhyankar  
Partner  
Membership Number: 113053  
Pune, May 8, 2024



KIRLOSKAR OIL ENGINES LIMITED  
CIN : L29100PN2009PLC133351

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

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2024

( ₹ in Crores )

Particulars	Consolidated				
	Quarter ended			Year ended	
	31-03-2024	31-12-2023	31-03-2023	31-03-2024	31-03-2023
	Audited	Unaudited	Audited	Audited	Audited
<b>1 Income</b>					
a) Revenue from operations	1,660.02	1,390.10	1,383.83	5,898.32	5,023.80
b) Other income	7.16	7.55	8.56	28.64	25.69
<b>Total income (a+b)</b>	<b>1,667.18</b>	<b>1,397.65</b>	<b>1,392.39</b>	<b>5,926.96</b>	<b>5,049.49</b>
<b>2 Expenses</b>					
a) Cost of raw materials and components consumed	762.22	629.41	622.81	2,731.15	2,346.23
b) Purchase of traded goods	216.51	174.09	236.30	780.84	826.40
c) Changes in inventories of finished goods, work-in-progress and traded goods	(9.59)	1.16	(17.91)	(14.76)	(54.88)
d) Employee benefits expense	125.67	111.48	96.58	429.61	339.72
e) Finance costs^^	96.38	81.38	63.97	328.23	209.89
f) Depreciation and amortisation expense	31.09	31.02	26.12	118.80	104.66
g) Other expenses	266.99	222.29	259.72	964.46	841.08
h) Expenses capitalised	(4.47)	(4.98)	(3.60)	(20.57)	(11.27)
<b>Total expenses (a to h)</b>	<b>1,484.80</b>	<b>1,245.85</b>	<b>1,283.99</b>	<b>5,317.76</b>	<b>4,601.83</b>
<b>3 Profit before share of profit/(loss) of joint venture, exceptional items and tax (1-2)</b>	<b>182.38</b>	<b>151.80</b>	<b>108.40</b>	<b>609.20</b>	<b>447.66</b>
<b>4 Share of net profit/(loss) of joint venture accounted for using the equity method</b>	<b>0.35</b>	<b>0.67</b>	<b>0.41</b>	<b>1.33</b>	<b>1.27</b>
<b>5 Profit before exceptional items and tax (3+4)</b>	<b>182.73</b>	<b>152.47</b>	<b>108.81</b>	<b>610.53</b>	<b>448.93</b>
<b>6 Exceptional items - income / (expense)</b>	<b>15.60</b>	<b>(30.89)</b>	<b>-</b>	<b>(15.29)</b>	<b>-</b>
<b>7 Profit before tax (5 + 6)</b>	<b>198.33</b>	<b>121.58</b>	<b>108.81</b>	<b>595.24</b>	<b>448.93</b>
<b>8 Tax expense :</b>					
Current tax	48.66	34.85	26.85	150.24	127.22
(Excess)/short provision relating to previous years	-	-	3.22	-	3.22
Deferred tax	2.86	(2.66)	(0.17)	5.30	(13.16)
<b>Total tax expense (8)</b>	<b>51.52</b>	<b>32.19</b>	<b>29.90</b>	<b>155.54</b>	<b>117.28</b>
<b>9 Net Profit/ (Loss) for the period (7 - 8)</b>	<b>146.81</b>	<b>89.39</b>	<b>78.91</b>	<b>439.70</b>	<b>331.65</b>
<b>10 Other Comprehensive Income / (Loss)</b>					
<b>Items that will be reclassified to profit or loss in subsequent periods (A) :</b>					
Exchange differences in translating the financial statements of a foreign operation	(0.11)	0.03	-	(0.07)	0.03
Income tax (expense)/income on above	-	-	-	-	-
<b>Total (A)</b>	<b>(0.11)</b>	<b>0.03</b>	<b>-</b>	<b>(0.07)</b>	<b>0.03</b>
<b>Items that will not be reclassified to profit or loss in subsequent periods (B):</b>					
Re-measurement gain / (loss) on defined benefit plans	(1.74)	(0.88)	(11.71)	(4.35)	(9.40)
Income tax (expense)/income on above	0.43	0.22	2.95	1.09	2.37
<b>Subtotal (a)</b>	<b>(1.31)</b>	<b>(0.66)</b>	<b>(8.76)</b>	<b>(3.26)</b>	<b>(7.03)</b>
Net gain / (loss) on equity instruments measured at fair value through other comprehensive income	0.10	-	(3.27)	0.10	(3.27)
Income tax (expense)/income on above	(0.02)	-	0.75	(0.02)	0.75
<b>Subtotal (b)</b>	<b>0.08</b>	<b>-</b>	<b>(2.52)</b>	<b>0.08</b>	<b>(2.52)</b>
Share of other comprehensive income of joint venture accounted for using the equity method (net of tax) (c)	0.02	0.00	0.01	0.02	0.00
<b>Total (B)= (a)+(b)+(c)</b>	<b>(1.21)</b>	<b>(0.66)</b>	<b>(11.27)</b>	<b>(3.16)</b>	<b>(9.55)</b>
<b>Total other comprehensive income/(loss) for the period, net of tax (A) + (B) = (10)</b>	<b>(1.32)</b>	<b>(0.63)</b>	<b>(11.27)</b>	<b>(3.23)</b>	<b>(9.52)</b>
<b>11 Total comprehensive income/ (loss) for the period, net of tax (9 + 10)</b>	<b>145.49</b>	<b>88.76</b>	<b>67.64</b>	<b>436.47</b>	<b>322.13</b>
<b>12 Profit for the period attributable to:</b>					
a) Owners of the Company	148.55	89.82	78.91	441.87	332.40
b) Non-controlling interest	(1.74)	(0.43)	-	(2.17)	(0.75)
<b>13 Other comprehensive income for the period attributable to:</b>					
a) Owners of the Company	(1.29)	(0.65)	(11.27)	(3.22)	(9.54)
b) Non-controlling interest	(0.03)	0.02	-	(0.01)	0.02
<b>14 Total comprehensive income for the period attributable to:</b>					
a) Owners of the Company	147.26	89.17	67.64	438.65	322.86
b) Non-controlling interest	(1.77)	(0.41)	-	(2.18)	(0.73)
<b>15 Paid-up equity share capital (Face value of ₹ 2 each)</b>	<b>28.99</b>	<b>28.98</b>	<b>28.95</b>	<b>28.99</b>	<b>28.95</b>
<b>16 Other Equity</b>				<b>2,647.22</b>	<b>2,274.64</b>
<b>17 Basic EPS ( ₹ ) (Face value of ₹ 2 each) [not annualized]</b>	<b>10.25</b>	<b>6.20</b>	<b>5.45</b>	<b>30.50</b>	<b>22.98</b>
<b>18 Diluted EPS ( ₹ ) (Face value of ₹ 2 each) [not annualized]</b>	<b>10.24</b>	<b>6.18</b>	<b>5.42</b>	<b>30.46</b>	<b>22.88</b>



**Notes:**

- 1 The Group operates in the business of manufacturing of Engines and Pumps wherein from the quarter ended 31st December 2022, two customer based reportable segments have been identified namely - Business to Business ("B2B") and Business to Customer ("B2C"). However, as per para 4 of Ind AS 108 "Operating Segments", the Parent Company is required to disclose segment information only in the Consolidated Financial Results. At consolidated level, the Group has identified three operating reportable segments namely B2B, B2C 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			Year ended	
	31-03-2024	31-12-2023	31-03-2023	31-03-2024	31-03-2023
	Audited	Unaudited	Audited	Audited	Audited
<b>SEGMENT REVENUE</b>					
B2B	1,221.23	983.95	1,000.06	4,228.42	3,582.14
B2C	276.32	259.13	270.89	1,105.35	1,070.87
Financial Services	162.47	147.02	112.88	564.55	370.79
<b>REVENUE FROM OPERATIONS</b>	<b>1,660.02</b>	<b>1,390.10</b>	<b>1,383.83</b>	<b>5,898.32</b>	<b>5,023.80</b>
<b>SEGMENT RESULTS*</b>					
B2B	146.46	105.86	75.43	460.25	336.49
B2C	14.44	12.31	11.56	50.45	29.09
Financial Services #	22.22	37.04	16.64	105.80	82.27
Unallocated	3.66	0.62	7.41	7.36	14.81
<b>Total</b>	<b>186.78</b>	<b>155.83</b>	<b>111.04</b>	<b>623.86</b>	<b>462.66</b>
Less:					
(i) Finance costs **	4.05	3.36	2.23	13.33	13.73
(ii) Exceptional items	(15.60)	30.89	-	15.29	-
<b>PROFIT BEFORE TAX</b>	<b>198.33</b>	<b>121.58</b>	<b>108.81</b>	<b>595.24</b>	<b>448.93</b>
<b>SEGMENT ASSETS</b>					
B2B	1,747.69	1,632.64	1,384.51	1,747.69	1,384.51
B2C	706.67	675.87	628.43	706.67	628.43
Financial Services	5,306.14	5,065.94	4,368.83	5,306.14	4,368.83
Unallocated assets	517.37	354.54	343.05	517.37	343.05
<b>TOTAL ASSETS</b>	<b>8,277.87</b>	<b>7,728.99</b>	<b>6,724.82</b>	<b>8,277.87</b>	<b>6,724.82</b>
<b>SEGMENT LIABILITIES</b>					
B2B	1,019.02	832.03	777.81	1,019.02	777.81
B2C	323.15	281.33	247.71	323.15	247.71
Financial Services	4,122.24	3,910.37	3,289.68	4,122.24	3,289.68
Unallocated liabilities	153.19	156.17	106.01	153.19	106.01
<b>TOTAL LIABILITIES</b>	<b>5,617.60</b>	<b>5,179.90</b>	<b>4,421.21</b>	<b>5,617.60</b>	<b>4,421.21</b>

\*Profit/ (Loss) before tax and interest from each segment

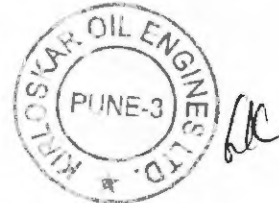
# Profit/(Loss) before tax and after interest

\*\* Other than the interest pertaining to the "Financial Services" segment

^^ Disaggregation of finance costs are as below -

Particulars	Quarter ended			Year ended	
	31-03-2024	31-12-2023	31-03-2023	31-03-2024	31-03-2023
Finance costs relating to financial services business	92.33	78.02	61.74	314.90	196.16
Finance costs relating to Other than financial services business	4.05	3.36	2.23	13.33	13.73
<b>Total</b>	<b>96.38</b>	<b>81.38</b>	<b>63.97</b>	<b>328.23</b>	<b>209.89</b>

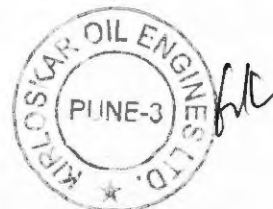
The corresponding information for earlier periods is also restated as per para 29 of Ind AS 108.



2 Statement of assets and liabilities (Balance Sheet)

(₹ in Crores)

Particulars	Consolidated	
	As at	As at
	31-03-2024	31-03-2023
	Audited	Audited
<b>ASSETS</b>		
<b>I. Non-current assets</b>		
(a) Property, plant and equipment	426.73	384.75
(b) Capital work-in-progress	252.06	17.90
(c) Right-of-use assets	58.21	57.18
(d) Goodwill	191.43	185.76
(e) Other Intangible assets	92.42	60.87
(f) Intangible assets under development	40.61	50.61
(g) Financial assets		
(i) Investments	36.06	97.26
(ii) Loans and Receivables of Financial Services Business	3,325.41	2,317.57
(iii) Loans	0.03	0.05
(iv) Other financial assets	71.75	31.58
(h) Deferred tax assets (net)	13.16	15.23
(i) Income tax assets (net)	40.13	33.92
(j) Other non-current assets	13.83	44.66
<b>Sub-total - Non-current assets</b>	<b>4,561.83</b>	<b>3,297.34</b>
<b>II. Current assets</b>		
(a) Inventories	643.63	544.98
(b) Financial assets		
(i) Investments	453.18	560.92
(ii) Trade receivables	607.04	527.73
(iii) Cash and cash equivalents	492.90	270.30
(iv) Bank balance other than (iii) above	11.85	20.17
(v) Loans and Receivables of Financial Services Business	1,379.46	1,368.08
(vi) Loans	0.03	0.13
(vii) Other financial assets	45.72	46.53
(c) Assets held for sale	20.88	35.92
(d) Current tax assets (net)	-	4.91
(e) Other current assets	61.35	47.81
<b>Sub-total - Current assets</b>	<b>3,716.04</b>	<b>3,427.48</b>
<b>TOTAL - ASSETS</b>	<b>8,277.87</b>	<b>6,724.82</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share capital	28.99	28.95
(b) Other equity	2,647.22	2,274.64
(c) Non-controlling interests	(15.94)	0.02
<b>Sub-total - Equity</b>	<b>2,660.27</b>	<b>2,303.61</b>
<b>LIABILITIES</b>		
<b>I. Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	1,970.26	1,801.90
(ii) Lease Liabilities	7.57	5.50
(iii) Other financial liabilities	16.51	18.23
(b) Provisions	44.56	39.81
(c) Deferred tax liabilities (net)	9.65	7.50
(d) Other non-current liabilities	21.69	22.62
<b>Sub-total - Non-current liabilities</b>	<b>2,070.24</b>	<b>1,895.56</b>
<b>II. Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	2,154.42	1,428.45
(ii) Lease liabilities	9.59	8.40
(iii) Trade and other payables		
a) total outstanding dues of micro enterprises and small enterprises	162.05	132.28
b) total outstanding dues of creditors other than micro enterprises and small enterprises	632.06	546.05
(iv) Other financial liabilities	362.55	195.05
(b) Other current liabilities	110.79	106.26
(c) Provisions	115.90	108.12
(d) Current tax liabilities (net)	-	1.04
<b>Sub-total - Current liabilities</b>	<b>3,547.36</b>	<b>2,525.65</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>8,277.87</b>	<b>6,724.82</b>



3 Statement of Cash Flow

(₹ in Crores)

Particulars	Consolidated	
	31-03-2024	31-03-2023
	Audited	Audited
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	595.24	448.93
Adjustments:		
Add:		
Depreciation and amortisation expense	118.80	104.66
Finance costs (excluding financial services business)	13.33	13.73
Share based compensation to employees	3.98	3.36
Impairment loss allowance, write off on trade receivable / other receivable (net)	27.12	32.39
Exceptional Item towards provision for investments ( Refer Note 7)	15.29	-
Bad debts and irrecoverable balances written off	9.53	1.14
(Gain)/ loss on fair valuation of derivative instruments	2.36	(2.07)
Write down / (reversal) in write down of inventories	12.14	3.84
	<b>202.55</b>	<b>157.05</b>
Less:		
Net Gain/(loss) on lease modifications	0.20	-
Gain /(Loss) on sale of investments measured at fair value through profit or loss (net)	13.07	25.76
Gain/ (loss) on fair valuation of investments measured at fair value through profit or loss (net)	25.47	3.42
Gain on derecognition of financial assets measured at amortised cost	40.18	-
Gain/ (loss) on disposal of property, plant and equipment (net)	1.00	0.48
Provisions no longer required written back	4.42	5.78
Interest income	30.69	21.12
Unwinding of security deposit & subsidy receivable under Package Scheme of Incentives (PSI), 2001	1.52	0.12
Profit/(Loss) on reinstatement on receivables/payables	0.98	(0.77)
Sundry credit balances written back	0.25	1.34
Share of net profit of joint venture	1.33	1.27
Revenue from deferred Export Promotion Capital Goods (EPCG) Scheme	-	0.15
Dividend income	0.00	0.00
	<b>119.11</b>	<b>58.67</b>
<b>Operating profit before working capital changes</b>	<b>678.68</b>	<b>547.31</b>
<b>Working Capital Adjustments</b>		
(Increase) / Decrease in loans and loans & receivables of financial services business	(1,044.98)	(1,392.82)
(Increase) / Decrease in government grant receivables	0.93	2.50
(Increase) / Decrease in trade and other receivables	(141.58)	(37.45)
(Increase) / Decrease in inventories	(106.73)	(160.76)
Increase / ( Decrease ) in trade and other payables	287.13	223.78
Increase / ( Decrease ) in provisions	8.77	18.76
	<b>(996.46)</b>	<b>(1,345.99)</b>
<b>Net Cash used in operations</b>	<b>(317.78)</b>	<b>(798.68)</b>
Income tax paid (net of refunds)	(151.00)	(121.62)
<b>NET CASH (USED IN) OPERATING ACTIVITIES</b>	<b>(468.78)</b>	<b>(920.30)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Add :		
Purchase of property, plant and equipment and intangible assets	(395.07)	(161.47)
Payment towards acquisition of balance interest in a subsidiary	(2.97)	(109.36)
(Purchase)/ Sale of mutual funds, equity shares, debentures, bonds and units (net)	233.56	105.32
Investment in fixed deposits	6.96	(0.52)
Proceeds from sale of property, plant and equipment and intangible assets including advances	17.46	0.97
Interest received on financial instruments and fixed deposits	30.69	19.04
Dividend received	0.50	1.59
<b>NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>(108.87)</b>	<b>(144.43)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from bill discounting & borrowings	4,124.01	3,230.22
(Repayment) of bill discounting & borrowings	(3,230.36)	(1,955.23)
Final and Interim dividend paid	(72.44)	(72.34)
Finance Costs	(11.37)	(13.35)
Payment for lease liabilities	(11.97)	(8.55)
Share issuance expenses of a subsidiary	-	(0.01)
Proceeds from issuance of share based payment options in a subsidiary	0.00	-
Proceeds from issuance of share capital including securities premium	2.09	1.36
Receipt of share application money pending allotment of shares	0.34	0.07
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>800.30</b>	<b>1,182.17</b>
<b>Net increase / (decrease) in Cash and cash equivalents</b>	<b>222.65</b>	<b>117.44</b>
<b>Opening Cash and cash equivalents</b>	<b>270.30</b>	<b>152.95</b>
<b>Cash acquired in business combination</b>	<b>0.02</b>	<b>-</b>
<b>Effect of foreign exchange on Cash and cash equivalents</b>	<b>(0.07)</b>	<b>(0.09)</b>
<b>Closing Cash and cash equivalents</b>	<b>492.90</b>	<b>270.30</b>

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) Income Tax paid is treated as arising from operating activities and are not bifurcated between investing and financing activities.

iii) All figures in bracket indicate cash outflow.



- 4 As per Ind AS 108 "Operating Segments", the Group has reported 'Segment Information' as described below:-
- Business to Business (B2B) - This segment comprises of production, sales and services of Engines, Gensets, Electric Motors, Organic Waste Composter and spares parts of these products and oils.
  - Business to Customers (B2C) - This segment comprises of production, assembly, sales and services of Diesel or Electric operated Pumps & pumpsets, accessories and allied products and Farm Machines like power tillers, power weeder, rotary tiller, implements, handheld tools, etc.
  - Financial Services - This segment includes operations of rendering financial services through wholly owned Non-Banking Financial Company (NBFC) subsidiary Arka Financial Holdings Private Limited, NBFC step down subsidiary Arka Fincap Limited and a step down subsidiary Arka Investment Advisory Services Private Limited respectively.
  - Unallocable - Unallocable comprises of assets, liabilities, revenue and expenses which are not directly related with any of the 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.
- 5 The Group consistently recognizes provision for any significantly delayed receivables, for accounting of expected credit losses. Provision for doubtful debts and advances as at 31st March 2024 includes a fully provided receivable of Rs. 41.47 crore (31st December 2023 : Rs. 41.47 crore and 31st March 2023 : Rs. 28.09 crore) in respect of receivables against sales of Gensets to a customer made in previous years by the Parent Company. The aforesaid provision is net of reversal of Rs. 4.98 crore arising on account of receipt of payment from the customer during the previous quarter ended 31st December 2023. While the Parent Company is in active discussions with the customer for the remaining payment, the aforesaid provision has been continued as per the consistent policy of the Parent Company for accounting of expected credit losses.
- 6 Exceptional item as disclosed in the column "Quarter ended 31st December 2023" and "Year ended 31st March 2024" comprises of provision recorded for Arka Fincap Limited of Rs 30.89 crores against its investments in Alternate Investment Funds (AIFs) during the quarter ended 31 December 2023 as per RBI circular RBI/2023-24/90 DOR.STR.REC.58/21.04.048/2023-24 dated December 19, 2023. Further during the current quarter ended 31 March 2024, Arka Fincap Limited has reversed the provision to the extent of Rs. 15.60 crores as per RBI circular RBI/2023-24/140 DOR.STR.REC.85/21.04.048/2023-24 dated March 27, 2024. Consequently, the provision as at 31 March 2024 stands at Rs. 15.29 crores.
- 7 During the quarter ended 31st March 2024, the Parent Company has allotted 54,860 fully paid-up equity shares of Rs. 2/- each to the option grantees upon exercise of Employee Stock Options pursuant to 'Kirkoskar Oil Engines Limited - Employee Stock Option Plan 2019' ('KOEL ESOP 2019'). Consequent to aforesaid allotment, the paid-up equity share capital of the Parent Company has increased from 14,49,00,946 fully paid-up equity shares of Rs. 2/- each to 14,49,55,806 fully paid-up equity shares of Rs. 2/- each.
- 8 The Board of Directors of Optiqua Pipes and Electricals Private Limited (OPEPL/Transferor Company, a step-down subsidiary of the Parent Company) and La-Gajjar Machineries Private Limited (LGM/Transferee Company, a wholly-owned subsidiary of the Parent Company), at their respective meetings held on 3rd July 2023, have given consent for the Scheme of Amalgamation between OPEPL and LGM under Section 233 and other applicable provisions of the Companies Act, 2013. The Scheme of Amalgamation ("the Scheme") is approved by the Members and Creditors of the OPEPL and LGM in their respective Extraordinary General Meetings held on 21st September 2023 and thereafter by the relevant Statutory and Regulatory authorities. On 22nd March 2024, LGM and OPEPL have received the order from Regional Director, Ahmedabad (North Western Region) sanctioning the Scheme and on 26th March 2024, LGM and OPEPL have filed the same with the Ministry of Corporate Affairs / Registrar of Companies, Ahmedabad, Gujarat. Accordingly, the aforesaid Scheme is effective from 26th March 2024. Pursuant to the said scheme the entire issued, subscribed and paid up capital of OPEPL stands cancelled on 26th March 2024. Accordingly, OPEPL ceased to be the wholly owned subsidiary of LGM and step down subsidiary of KOEL. The said scheme became operative with retrospective effect from 1st April 2023 (the Appointed Date). Accordingly, the above results are arrived at after incorporating the OPEPL's assets and Liabilities including income and expenses as on 1st April 2023 to 26th March 2024 with consolidated results of LGM.
- 9 The Consolidated Financials Results includes the results of following subsidiaries :-
- La-Gajjar Machineries Private Limited ("LGM")
  - Optiqua Pipes and Electricals Private Limited ("OPEPL") (amalgamated with LGM with effect from 1st April 2023 being appointed date)
  - Arka Financial Holdings Private Limited ("AFHPL")
  - Kirkoskar Americas Corporation ("KAC") (formerly known as KOEL Americas Corp.)
  - Arka Fincap Limited ("AFL") (subsidiary of AFHPL)
  - Arka Investment Advisory Services Private Limited ("AIASPL") (wholly owned subsidiary of AFHPL)
  - Engines LPG, LLC doing business as Wildcat Power Gen ("Engines LPG LLC") (subsidiary of KAC w.e.f 29th November 2023)
- Pursuant to the Scheme of Amalgamation between OPEPL and LGM, OPEPL's interest of 49% in its Joint Venture viz. ESVA Pumps India Private Limited (ESVA) is transferred to LGM which is accounted for using equity method.
- 10 The figures for the quarter ended 31st March 2024 are balancing figures between audited figures in respect of full financial year ended 31st March 2024 and the published year to date figures upto the third quarter ended 31st December 2023 which were subjected to "Limited Review" by the Statutory Auditors of the Parent Company.
- 11 The figures for the previous quarter/year have been regrouped wherever required to make them comparable with those of the current quarter/year.
- 12 The above consolidated financial results for the quarter and year ended 31st March 2024 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 8th May 2024 and are audited by the Statutory Auditors of the Parent Company.
- 13 The Board of Directors of the Parent Company in its meeting held on 8th May 2024 has recommended a final dividend of Rs. 3.50/- (175%) per fully paid up equity share of Rs. 2 each for the year ended 31st March 2024.

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

Place : Pune  
Date : 08th May 2024

For Kirloskar Oil Engines Limited

*Gauri Kirloskar*  
Gauri Kirloskar  
Managing Director  
DIN : 03366274




**Independent Auditor's Report on the Quarterly and Annual Consolidated Financial Results of Kirloskar Oil Engines Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

**The Board of Directors of  
Kirloskar Oil Engines Limited**

**Report on the Audit of the Consolidated Financial Results**

**Opinion**

We have audited the accompanying Consolidated financial results of Kirloskar Oil Engines Limited ("herein after referred as the "Holding Company") and its subsidiaries including the joint ventures of its subsidiary (Holding company and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2024 attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries as referred to under 'Other Matters' paragraph below, the aforesaid consolidated financial results:

- i. Include the annual financial result of the following entities:
  - a. La-Gajjar Machineries Private Limited (LGM) (wholly owned subsidiary)
  - b. Optiqua Pipes and Electricals Private Limited  
(wholly owned subsidiary of LGM, amalgamated with LGM with effect from April 1, 2023 being appointed date)
  - c. ESVA Pumps India Private Limited (Joint Venture Entity of LGM)
  - d. Arka Financial Holdings Private Limited (AFHPL) (wholly owned subsidiary)
  - e. Arka Fincap Limited (subsidiary of AFHPL)
  - f. Arka Investment Advisory Services Private Limited (wholly owned subsidiary of AFHPL)
  - g. Kirloskar Americas Corporation (KAC) (wholly owned subsidiary)
  - h. Engines LPG, LLC doing business as Wildcat Power Gen (Subsidiary of KAC) (w.e.f. November 29, 2023)
- ii. Are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. Give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net profit and other comprehensive loss) and other financial information of the Group for the Quarter and year ended March 31, 2024.

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**Pune Office:** GDA House, Plot No.85, Right Bhusari Colony, Paud Road, Kothrud, Pune – 411 038, Phone – 020 – 66807200,  
Email – [audit@gdaca.com](mailto:audit@gdaca.com)

**Mumbai Office:** D-509 Neelkanth Business Park, Nathani Road, Vidyavihar (West) Mumbai 400086, Phone-022-3512 3184



**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of Companies Act, 2013 (the Act) as amended. Our responsibility under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements of the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibility for Consolidated Financial Results**

These quarterly and annual financial results have been prepared on the basis of consolidated financial statements.

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial results that give a true and fair view of the net profit and total comprehensive income (comprising of net profit and other comprehensive loss) and other financial information of the group in accordance with the Indian Accounting standards specified under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group, are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.





**Auditor's Responsibility for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial results.

As a part of an audit in accordance with the SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from a fraud is higher than one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Director's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosure in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and the events in the manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financials statements/financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of audit of financial information of such entities included in the consolidated financial results, of which we are the independent auditors. For the other entities included in the consolidated financial results, which

have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding company and other entity included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of audit and the significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

#### **Emphasis of Matter**

We draw attention to Note 5 of the statement, regarding additional provision of Rs. 15.29 crores against investments in Alternate Investment Funds (AIFs) as per RBI circular RBI/2023-24/90 DOR.STR.REC.58/21.04.048/2023-24 dated December 19, 2023 & RBI/2023-24/140 DOR.STR.REC.85/21.04.048/2023-24 dated March 27, 2024.

Our opinion is not modified in respect of above matter.

#### **Other Matters**

- i. The consolidated financial results include the audited consolidated financial results of one subsidiary and audited standalone financial results of a step down subsidiary whose financial statements, before consolidation adjustments, reflect Group's share of total assets of Rs. 5,662.57 Crores as at March 31, 2024, Group's share of total income of Rs. 1,127.93 Crores and Rs. 286.61 Crores, Group's share of total net profit of Rs. 93.93 Crores and Rs. 36.80 Crores and Group's share of total comprehensive income of Rs. 93.39 Crores and Rs. 36.48 Crores for the year and quarter ended March 31, 2024 respectively and cash inflow of Rs 178.12 Crores for the year ended as on that date, as considered in the consolidated financial results, which have been audited by its independent auditor. The independent auditor's reports on separate financial statements of these entities have been furnished to us by the management of the holding company and our opinion on the consolidated financial results, in so far as it related to the amounts and disclosures included in respect of these entities, is based solely on the reports of such auditors and the procedures performed by us as stated in the paragraph above.
- ii. The consolidated financial results include the unaudited consolidated financial results of a subsidiary, whose financial statements, before consolidation adjustments, reflect Group's share of total assets of Rs. 44.67 Crores as at March 31, 2024, Group's share of total income of Rs 28.82 Crores and Rs 9.29 Crores, Group's share of total net profit/ (loss) of Rs. (4.20) Crores and Rs. (3.20) Crores and Group's share of total comprehensive loss of Rs (4.27) Crores and Rs. (3.31)

## G. D. Apte & Co. Chartered Accountants

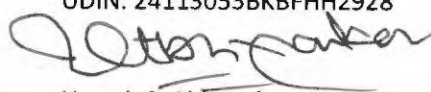
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Crores for the year and quarter ended March 31, 2024 respectively, and cash inflow of Rs. 23.20 Crores for the year ended as on that date as considered in the consolidated financial results. These unaudited financial statements have been furnished to us by the management of the holding company and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management of the holding company, these financial statements are not material to the group.

- iii. The quarterly consolidated financial results for the quarter ended March 31, 2024 are the derived figures between the audited figures for the year ended March 31, 2024 and the published year-to-date figures up to December 31, 2023, being the date of the end of the third quarter of the current financial year, which were subjected to limited review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by us.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statements/financial information certified by Board of Directors.

For G. D. Apte & Co.  
Chartered Accountants  
Firm Registration Number: 100515W  
UDIN: 24113053BKBFHH2928



Umesh S. Abhyankar  
Partner

Membership Number: 113053  
Pune, May 8, 2024



Date: 8<sup>th</sup> May 2024

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,

**Subject: Declaration in respect of Audit Report with unmodified opinion**

Pursuant to the provisions of the Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended read with the SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May 2016, we hereby state that G. D. Apte & Co., Chartered Accountants, Pune, (Firm Registration No. 100515W), Statutory Auditors of the Company, have issued an Audit Report with unmodified opinion, on the Standalone Audited financial results of the Company, for the quarter and year ended 31<sup>st</sup> March 2024 and Consolidated Audited financial results of the Company, for the quarter and year ended 31<sup>st</sup> March 2024.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,  
For Kirloskar Oil Engines Limited

  
Gauri Kirloskar  
Managing Director  
DIN: 03366274



Kirloskar Oil Engines Limited  
A Kirloskar Group Company

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CIN: L29100PN2009PLC133351